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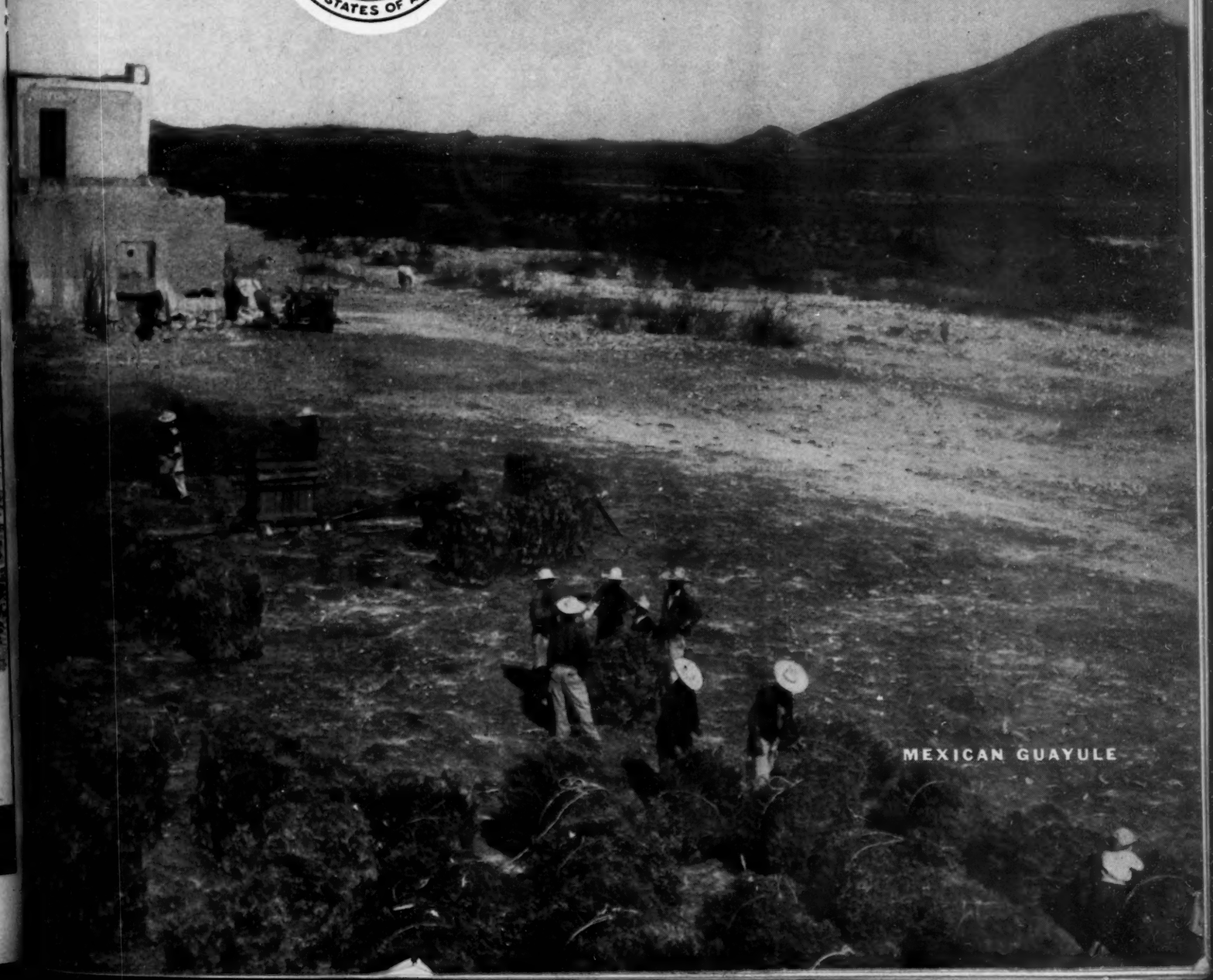
Foreign Commerce WEEKLY

Vol. XVI, *No.* 5 *July* 29, 1944



MEXICAN GUAYULE

Foreign Commerce Weekly

(Statutory Functions "The Bureau of Foreign and Domestic Commerce . . . . to foster, promote, and develop the foreign and domestic commerce of the United States." [*Law creating the Bureau, Aug. 23, 1912 [37 Stat. 408].*])

Issued by the UNITED STATES DEPARTMENT OF COMMERCE, JESSE H. JONES, *Secretary*

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Annual Subscription: Domestic, $4.50; Foreign, $7.90; Single copy, 10 cents. Make remittances payable to the Superintendent of Documents and mail direct to that official, Government Printing Office, Washington 25, D. C.

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PUBLISHED WITH THE APPROVAL OF THE DIRECTOR OF THE BUDGET (42 J. C. P.)

GUAM—

Seized Now by Our Armed Forces Is This Significantly Situated Territory—Vital Transport Link for the Air Age, Weather-Report-base, Active Scene of Progressive Effort, Good Example of Tropical Island Economy Under the Impact of Modern Standards

By MARY A. PUGH, *Far Eastern Unit, Bureau of Foreign and Domestic Commerce*

AS THE FIRST American territory to be recaptured from the Japanese, the Island of Guam again claims the limelight. Since its earliest place in history—when Magellan stepped ashore in 1521—Guam has known more than 300 years of Spanish rule, 43 years of American tutelage, and 2 years and 7 months of Japanese occupation. Acquired by the United States at the close of the Spanish-American War in 1898, Guam became a United States naval station and was, therefore, the only one of the Marianas not ceded to Japanese mandate after the First World War.

The largest island in an island-studded sea between Hawaii and the Philippines, Guam has lain in the path of man's westward journey, and was for many years a regular port of call for the Manila galleon, plying its long and hazardous course from Mexico to the Philippines. In a more modern era, Guam took its place as a regular stop for the great Clipper ships of Pan American Airways on their swift flights from the West Coast of the United States to Manila. By steamer 3,337 miles from Honolulu, 1,506 from Manila, and 1,353 from Japan. Guam is only 25 air hours from Honolulu, 11 from Manila, and 10 from Tokyo, and can be reached in but 42 hours from the West Coast of the United States.

Important Link in Air Route

When Magellan dropped anchor in Guam's lagoon, the natives, it is said, swarmed out to his ship in high excitement. Just 414 years later excitement again reigned as the entire population turned out to greet the first Clipper soaring into a landing at Sumay in the early fall of 1935. Soon the ships were stopping regularly with passengers, mail, and express, their comings and goings a matter of immediate interest to all residents.

When air transportation over the Pacific was inaugurated in 1935 it was *inevitable* that Guam should become a link in the chain of islands—either territories or possessions of the United States, or an associated Commonwealth — which formed the route to Asia. Honolulu, Midway, Wake, Guam, and Manila, with their harbors or lagoons appropriate for seaplane operations, set the pattern, and the story of the more than 1,000,000 items of equipment and material shipped out of San Francisco in late March 1935 to set up the five air bases and inaugurate by November of that year the first scheduled trans-oceanic air service for passengers is one of the epics of aviation history. On the lush, tropical island of Guam—in contrast to the desolate shores of Midway and Wake where it was necessary to construct two complete villages—little more was needed than the erection of radio and operating equipment, and then a modern hotel.

Before December 1941, Guam was used by the Clippers primarily as a radio and fueling base, and as an overnight stop for passengers when bad weather prevented flights. It was also a weather-reporting base—a very important role in an area where storms are severe, and pilots must be informed of conditions a thousand miles away.

Tropical Agriculture Rules

Southernmost and largest of the Marianas, Guam is 30 miles long and from 4 to 12 miles wide. Its total area of 225 square miles is only 22 less than the combined area of the other 14 Marianas. Nearly surrounded by a coral reef, it possesses the best natural harbor in a vast expanse of ocean, and the port of Apra on the southwest coast accommodates large ships as well as sea planes, but does not provide protection from typhoons for either. Consisting of both volcanic and limestone formations Guam is rich in fertile soil, heavy forests, grazing ranges, and fishing ground. On its northern plateau valuable hardwoods are found, while the volcanic southern half of the island is agricultural. In 1940 there were 2,450 farms on Guam, most of them under 10 acres. The total land cultivated by farmers amounted to 59,530 acres.

Corn, rice, sweetpotatoes, and other vegetables are the principal food crops, and coffee, cocoa, and sugar have long been grown. In normal years, when crops are not damaged by typhoons, the island is more or less self-sufficient in foodstuffs, so far as the native population is concerned. Imported foods, although the chief import item for many years, accounting for about 40 percent of total imports in 1940, are primarily for the white population. In an effort to increase the food supply the United States Department of Agriculture introduced a variety of fruits, including pineapples, oranges, lemons, limes, mangoes, and papayas.

Copra Principal Export

Coconut palms grow along the streams on the eastern coastal plains, and dried copra meat is the only export of commercial importance. In the 5 years preceding the war, total export trade averaged $140,500 in value, of which copra accounted for more than 70 percent. Some coconut oil and soap was shipped abroad before the war, and trade in native woven products of palm fiber was on the increase. In 1941 a newly developed export industry, the manufacture of purses and jewelry from land shells, gave promise of a bright future.

Animals were introduced into Guam by the Spaniards, who astonished the native Chamorros with the sight of a horse, believed to be the first quadruped to invade the Marianas. Later came pigs, poultry, cattle, and the carabao, or water buffalo, from the Philippines, supplying the native with a work animal, as well as important supplements to his diet. As of April 1, 1940, the animal population of Guam included 1,560 carabaos, 5,845 cattle, 14,000 swine, and 1,353 goats. There were also somewhat over 209,000 chickens.

Capital "City"

Agana, former home of native chieftains and nobles and now the capital and only "city" in Guam, is near the port of Apra, hard by the sea. No one knows how old Agana is, since the earliest navigators reported the existence of a village on its present site, doubtless originally chosen because of a little stream of water rising in a large spring a mile inland. With its streets named for Spanish governors, generals, and missionaries, Agana's most impressive structures are the former "palace" (which under more democratic rule became "Government House"), marine barracks, post-office, schools, hospitals, and the Catholic church. For the rest, row upon row of

(Continued on p. 32)

New Ties Across the Mexico-U. S. Border

"The Progress We Can Make Through Joint Research Toward More Efficient Agricultural Production Will Make for an Increased Volume of the Kind of Trade That Both Mexico and the United States Now Desire"

By CLAUDE R. WICKARD, *Secretary of Agriculture*

An Address (at Mexico City) at a Session of the Mexican-United States Agricultural Commission, July 4, 1944

I HAVE BEEN MOST HAPPY to take part in the first meeting of the Mexican-United States Agricultural Commission. Establishment of the Agricultural Commission is another evidence of the friendship between our two great nations. It writes a new chapter in the history of agricultural cooperation between the two countries. In the past, both countries have gained from their willingness to work together in many fields of agricultural research. Now, with a permanent Commission that will devote itself to encouraging and coordinating that kind of joint effort, we may expect the benefits to both nations to be much greater than in the past. We of the Western Hemisphere know that the independence of our countries is strengthened and enriched by a full sense of mutual interdependence.

Agriculture is of great importance in both Mexico and the United States. We have many common agricultural problems. We have a deep mutual interest in developing complementary types of agriculture.

Under Favorable Auspices

It was most fitting that the first words on this new milestone in cooperation between our two nations were spoken by Mexico's Minister of Agriculture, Ingeniero Marte R. Gomez. The first meeting of the Commission represents the fulfillment of a hope that he has held for a long time. He and I discussed it when we were together in Mexico 2 years ago. The idea has been much in my mind since then; it had been in *his* even before that time. Actual creation of the Commission, of course, has been the work of many men in both countries. But the one man to whom the greatest credit belongs is Minister Gomez, who from the beginning saw clearly the need of a broader basis for cooperation between the Departments of Agriculture of the two countries, and who has worked patiently to make that idea an actuality.

The joint Agricultural Commission is beginning its work under favorable auspices. From the very start it can play an important part in contributing to the prosperity and security of Mexican and United States farm people, to increased production of agricultural commodities needed in wartime, to the well-being of the whole populations of both nations, and to the ties of friendship which already knit the two peoples.

One reason for this prospect is the ability and character of the membership of the new Commission. Both nations have named men who are outstanding for their work in the fields of agricultural science, economics, or sociology. Another reason lies in the fact that the Commission will be building on a solid foundation of past accomplishment. It is not setting out on an uncharted course in the

(Continued on p. 30)

Courtesy Pan American Union

In Mexico's sugarcane industry.

War Produces Crisis in Peru's Lumber Industry

By J. L. Muller and T. P. Deuber,
Lumber Unit, Bureau of Foreign and Domestic Commerce

PRIOR TO THE OUTBREAK of the present war, Peru relied heavily on the importation of lumber, principally from the United States, Canada, Chile, and Ecuador. Despite Peru's own timber wealth which reportedly comprises about 220,000,000 acres, or about half of the country's area, imported lumber accounted for as much as 50 percent of the domestic consumption during the last few pre-war years. However, the war, with its huge lumber requirements, has changed this situation.

While the war has, on the one hand, greatly intensified Peru's demand for lumber, it has, on the other hand, drastically curtailed foreign lumber supplies. The general scarcity of lumber in the exporting nations and limited shipping space have resulted in an almost complete stoppage of lumber imports.

To alleviate this critical situation, it has become necessary for Peru to develop its own forest resources. The country is therefore now hard at work to establish a domestic lumber industry which will serve the national economy, not only during the present crisis, but also after the war. The task is one of first magnitude, requiring careful planning and full integration, if the project is to succeed.

Forest Resources

Peru's principal forests are located in the Montaña region in the eastern part of the country, beyond the rugged mountain chains of the Andes. The region, as a matter of fact, forms the upper part of the Amazon Basin, draining eastward into the Atlantic Ocean through one of the world's largest river systems, the Amazon. As far as the geographic position, climate, terrain characteristics, soil, vegetation, and human occupance pattern are concerned, it is more nearly related to the Amazon Basin than to the rest of Peru.

Using the only natural outlet of the Montaña, lumber shipments from Iquitos have in the past always gone down the Amazon River. Even lumber destined for the Peruvian west coast, where the country's active lumber markets are located, was shipped down the Amazon, and reached its destination via Belem (Para) and the Panama Canal. These lumber shipments averaged before the war about 2,000,000 board feet per year and consisted mostly of cedar. However, because of lack of shipping space and the hazards attendant upon the long sea voyage, it was not possible to continue such shipments.

To get the much-needed lumber, it became imperative to tap the immense and as yet unexplored forest regions of the Montaña from the west. The construction of a net of strategically located transportation facilities across the Andean mountain system was undertaken and has been partially completed.

Prior to the war, the single sawmill center at Iquitos served the whole of the Montaña, which is bounded on the east by Brazil, on the north by Ecuador, and on the south by Chile. In pre-war times, this sawmill center produced about 6,000,000 board feet of lumber per year, about 4,000,000 board feet consisting of cedar, the rest of mahogany. Ordinarily, most of the mahogany was exported to the United States. Of the 4,000,000 board feet of cedar, about half was consumed in nearby areas, and the rest was shipped to the lumber markets along Peru's west coast.

The construction of the trans-Andean highway, passable for motor traffic, which was recently completed, provides at long last the sorely needed outlet to the west, to the rest of Peru. The Cerro de Pasco-Pucallpa highway, perhaps the most important of the undertakings, provides not only a direct overland connection for the newly established sawmill center of Tingo Maria with the west, but also with the Amazon River system in the east.

Although this great tropical jungle area is reported to contain more than 200 distinct tree species, only about 25 are now being cut for lumber. Much remains to be done in the way of scientific identification and physical property classification. It is reasonable to expect that the forest resources of the Amazon Basin may become of great importance in the future, as more is known about the nature of many of these species.

Among the known species, besides mahogany (*Swietenia macrophylla*) and cedar (*Cedrela odorata*), are such trees as the moena amarilla (*Aniba canelilla*); alcanfor-sacha, culantrillo (*Zanthoxylum elephantiasis*); palo colorado; palo amarillo (*Chlorophora tinctoria*); chamiza; cedro tingo; hispi; pullaj; and tornillo.

Characteristic of the tropical hardwood forests, the intermingling of species is very pronounced in the Montaña, and trees now marketable are found far distant from each other. The selection of one or two trees out of many over an extensive area of land sends the cost of production upward.

Mahogany trees occur reportedly at an approximate rate of 1 for each 5-acre tract, with a timber volume of about 1,000 board feet. The occurrence of cedar is estimated at 2 trees per every 2½ acre tract, with a proportionately higher timber volume.

While the sawmill centers of Iquitos and Tingo Maria undoubtedly comprise the most important logging areas within the Peruvian tropical rain-forest region, the districts of San Ramon in the Canchamayo Valley and Satipo, farther to the southeast, are, nevertheless, important lumber-producing centers. The San Ramon nucleus has a good highway connection with Tarma, which is linked with the coastal area by way of Oroya, an important railway point. The Satipo center has a direct highway connection with Lima via Concepcion.

Other forest areas, though small and rather unimportant in comparison with the tropical rain-forests of the Montaña, are found in the Sierra region—the valleys between the eastern and western Cordilleras, forming the Andean mountain system—and in the north-central part of the coastal region. These areas, however, are important to the internal economy of Peru because, among other things, they provide local markets with low-priced lumber.

The coastal area has two distinct logging centers. The more important one is located in the vicinity of Chiclayo, the other in the neighborhood of Piura. Both produce algarrobo (*Prosopis chilensis*), which is mainly used locally for railroad cross ties. A small part of the production is employed in the manufacture of charcoal. As these two minor forest areas lie within fairly densely populated areas, little trade extends beyond their immediate surroundings.

The forest areas of the Sierra, comprising the high valleys in the Peruvian Andes, are very important. They provide the bulk of the domestic lumber. More eucalyptus (*Eucalyptus globulus*) is cut in Peru than any other wood. During the past, eucalyptus has been used chiefly as mine timber. Some small quantities of eucalyptus went into the manufacture of box shooks in the Huancayo area. However, the most significant fact, and one which may well leave lasting effects on Peru's lumber industry, is the introduction of eucalyptus timber for use on Peruvian railway lines. Their price differential, their relative service-

ability compared with imported railroad cross ties, and their ready availability seem to assure eucalyptus ties a permanent place in the country's railroad system. The rapid growth, characteristic of eucalyptus, renders the maintenance of a reliable and abundant supply quite possible. Eucalyptus plantations, strategically located, will reduce the factor of transportation to a minimum, and make eucalyptus cross ties exceedingly competitive with American cross ties, used almost exclusively before the outbreak of the war.

Of late, interest has been focused on the Cuzco region, where the exploitation of the forest areas has recently been undertaken. The lumber which comes from this logging center can be used readily for general construction purposes. Even though the Cuzco development is small, it is, nevertheless, an important adjunct to the national logging and lumber industry, as it is situated within a fairly densely populated area, with consuming markets near.

In contrast to that of the Montaña, the Cuzco sawmill and logging center lies within an area of dense population, obviating long and costly means of transportation. Furthermore, it is a "built-up area," with both roads and railroads already established. Cuzco is connected by railroad with Puno, located at Lake Titicaca, the gateway to Bolivia, and also with Mollendo, the most important shipping and industrial center of coastal southern Peru. Moreover, it is well to bear in mind that the region produces a kind of lumber which finds ready acceptance for local construction.

The over-all picture of Peru's forest resources is favorable. While there exists a heavy concentration of timber volume in the Montaña, the factor of remoteness becomes less weighty for two reasons. In the first place, the woods originating in the Montaña are of the tropical hardwood variety, and, by virtue of their high intrinsic value, can easily absorb the high transportation costs. In the second place, the largest part of the tropical hardwood production is exported. Such exports will again go down the Amazon River as during pre-war days, and will therefore not be affected by the high transportation costs of the overland routes. However, the prerequisite to the full development of Peru's forest products industries is the achievement of a broader utilization of the country's many and varied woods.

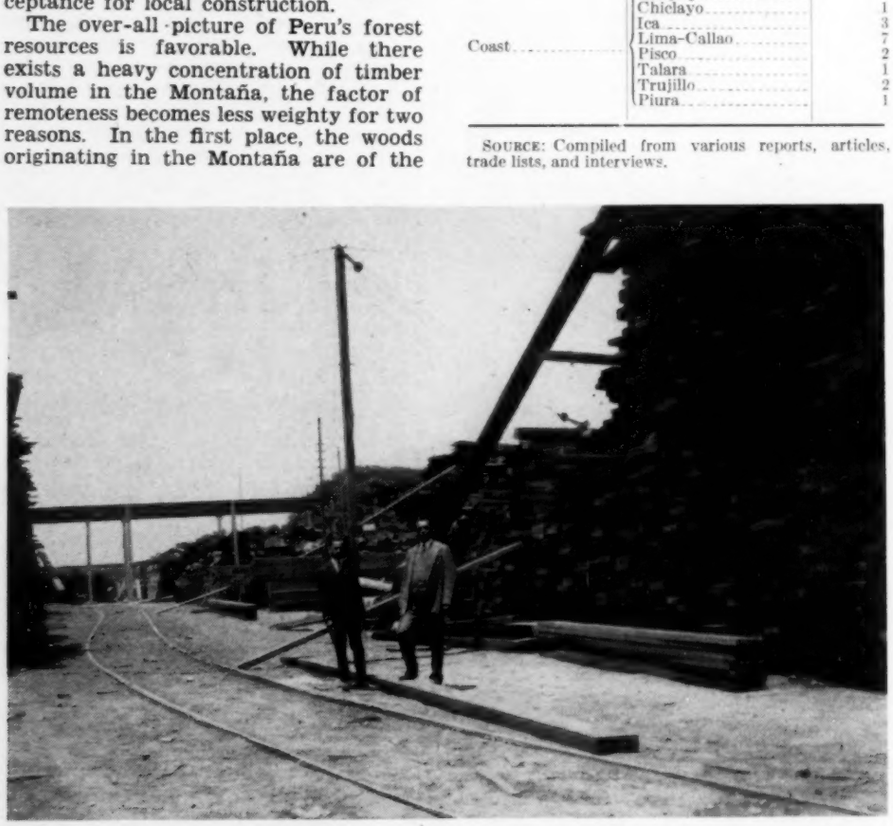
Lumber-Producing Regions

While the following table is not all-inclusive, as the small, scattered sawmills have not been taken into consideration, it does present a fairly accurate over-all picture of Peru's lumber industry. However, as each of the three regions—the Montaña, the Sierra, and the Coast—functions under its own set of conditions, which vary greatly from case to case, it is only logical that each region should be analyzed separately.

Partial List of Sawmills, Showing Regional Grouping of Establishments

Region	Sawmill center	Number of mills
Montana	Iquitos	11
	San Ramon	4
	Satipo	6
	Tingo Maria	4
Sierra	Cuzco	1
	Huancayo	7
	Huanuco	1
Coast	Arequipa	3
	Chiclayo	1
	Ica	3
	Lima-Callao	7
	Pisco	2
	Talara	1
	Trujillo	2
	Piura	1

SOURCE: Compiled from various reports, articles, trade lists, and interviews.



Typical pre-war sight in a Peruvian coastal lumber yard: Douglas fir imported from the United States.

The Montaña

The Montaña region, until recently unavailable for economic development, owing to its absolute inaccessibility from the west, has had only a single sawmill center. This pre-war center is located at Iquitos, Peru's most eastern outpost in the Montaña. It has one natural outlet, the Amazon River. Although Iquitos is about 2,300 miles upstream on the Amazon River, it is served by oceangoing steamers, a fact which is significant, inasmuch as it obviates transshipment and reloading. Iquitos has served as a kind of concentration yard for the timber cut in the Peruvian tropical rain forest.

More than 90 percent of all the logs brought into Iquitos are floated in. About 50 percent of the timber ordinarily comes down the Ucayali River from as far away as the Pucallpa logging area. Another much-used waterway is the Maranon River which drains the forest area west of the Ucayali River.

Logging operations in this part of the tropical hardwood forest area are confined strictly to the immediate vicinity of the streams, over which the logs can be rafted out. The active logging radius has been reliably reported at about 1 mile along either side of the waterways. And, owing to topography, density of the jungle, and intensive dispersion of the desirable species, tractors and other mechanical equipment cannot be economically employed. Human labor is the sole means of motive power in this dense forest region.

Individual logging crews number usually 14 to 16 men, consisting entirely of Indians, the only population native to the Montaña. Besides food, such as rice, beans, yucca, sugar, and meat hunted on the spot, all of which is supplied to the camp by the operator, a laborer receives on the average a daily wage of 2½ soles—about 39 cents in U. S. currency. Logging operations are restricted to the dry season, which, under normal weather conditions, usually lasts from July to December. During the rainy season the rivers flood large areas along their banks, making logging entirely impossible.

Once the logs are assembled along the banks of the streams, they are tied into rafts and floated to the sawmilling center of Iquitos. The average distance has been estimated at 350 miles and the journey is reported to take, at normal water levels, from 3 to 4 weeks. However, rafting distances of 600 miles and over have been recorded, especially during times of high prices.

At Iquitos the logs are prepared or sawed into lumber or boards, and are loaded on oceangoing steamers and sent down the Amazon River for shipment abroad. There is no other natural outlet from this sawmill center. Iquitos has no overland routes which link it up with the rest of Peru. The only direct connection with the west coast is effected by a well-established and well-serviced air-route.

Practically all of Peru's lumber exports originate at Iquitos and consist primarily of mahogany and small quantities of Spanish cedar. Most of these exports have, in the past, gone to the United States.

United States Mahogany Imports from Peru [1]

[In thousand board feet]

Item	1929	1932	1935	1936
Logs	5,922	655	448	557
Sawed	.....	(2)	(2)	(2)

Item	1937	1938	1939	1940
Logs	1	3	540	460
Sawed	3,310	1,395	3,275	1,241

[1] Not available for public dissemination after 1940.
[2] Not shown.

SOURCE: U. S. Bureau of Foreign and Domestic Commerce, *Foreign Commerce and Navigation*, for years shown.

In contrast to the Iquitos sawmilling center, which is entirely geared for export, the three other sawmill and logging areas of the Montaña are more closely tied in with the domestic market. Production from these areas finds its way over the recently completed highways which were constructed to tap the forest reserves in each respective vicinity.

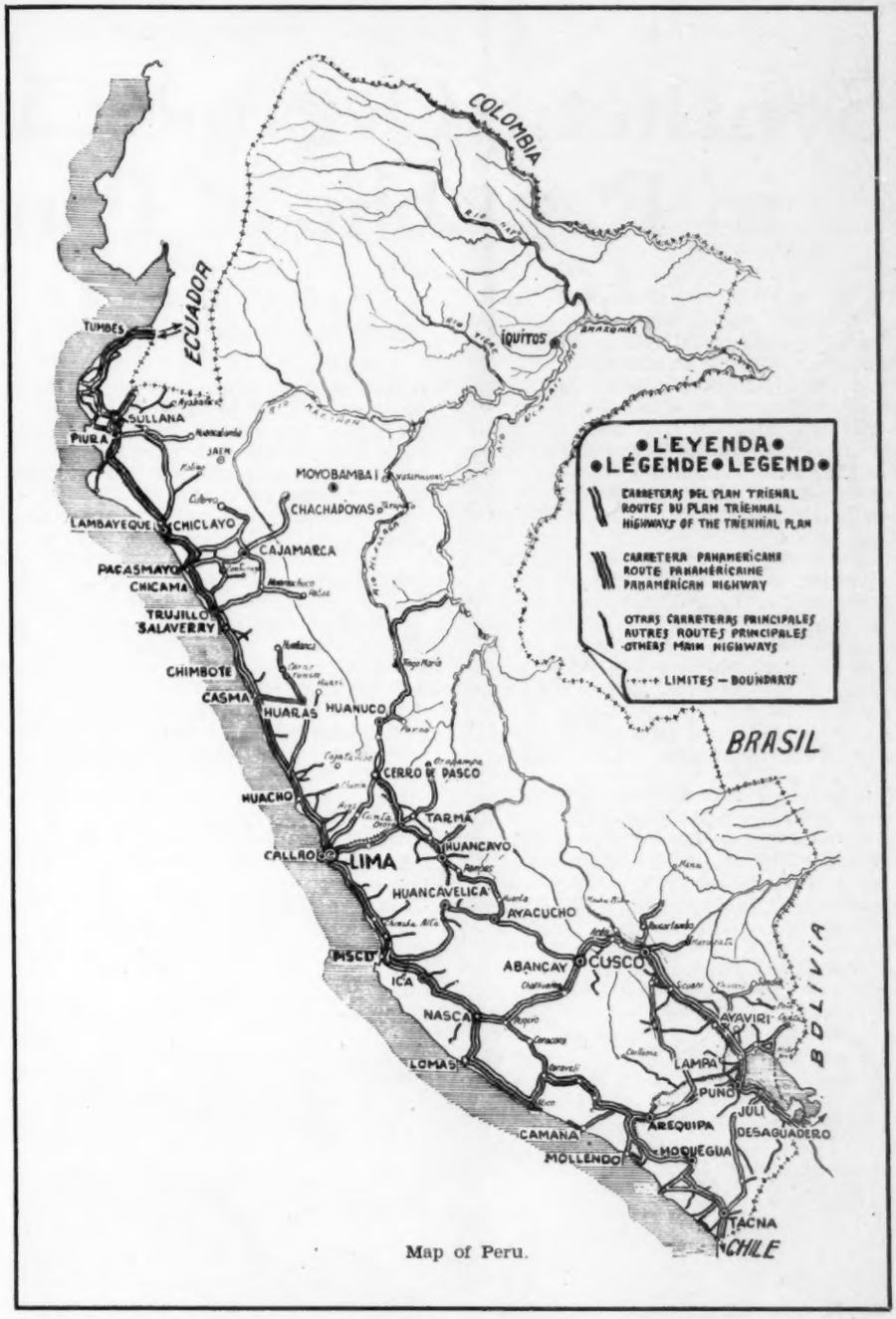
Of the three remaining centers, the Tingo Maria area is the most important. Furthermore, because of its strategic position, it deserves special consideration. The Cerro de Pasco–Pucallpa highway connects Tingo Maria with both the east and the west. In the west, at Cerro de Pasco, the world-famous copper-mining center of the Peruvian Sierra and a first-class lumber market in its own right, the highway connects with the railway line which runs down to the west coast of Peru, to the Lima–Callao industrial district. In the east, the highway links Tingo Maria with the Ucayali River at Pucallpa, which forms the connection with Iquitos on the Amazon River. In this way, the Cerro de Pasco-Pucallpa highway renders the Tingo Maria sawmill development accessible from the west as well as from the east, a fact which makes the sawmill production available to either foreign or domestic markets.

Just as in the case regarding the Iquitos center, where the sawmills are located along the banks of the Amazon River, so the plants in the Tingo Maria area are, without exception, on the highway, their only means of transportation. Because of its violent current, the Huallaga River, which flows west of Tingo Maria, cannot be used for the floating of lumber rafts.

Both the San Ramon and the Satipo areas of the Montaña region are better adapted to domestic production than for export, inasmuch as they have good overland connections with the west-coast region. Furthermore, all the sawmilling facilities have been established in close proximity to the respective highways which form the outlets to the west. The outlets to the east are much less convenient or direct. As a matter of fact, none of the mills are located along the banks of the rivers which form the link connecting the areas with the east by way of the Amazon River.

The Sierra

Taken on a regional basis of production, the lumber industry of the Sierra is very important to the domestic economy. It is in this region that eucalyptus is found abundantly, and more lumber of this species is produced in Peru than of any other kind.



Map of Peru.

Estimated Annual Average Lumber Production in Peru

[In thousand board feet]

Region	Tropical hardwoods	Eucalyptus	Algarrobo
Montaña	10,000	.....	.....
Sierra	.....	16,000	.....
Coast	.....	.....	750

SOURCE: U. S. Bureau of Foreign and Domestic Commerce.

Most of the eucalyptus lumber is sold for use as mine timber, is usually marketed in the green state, and is traded in by weight. It has been reported that 1 metric ton of green eucalyptus logs yields on the average 290 board feet of mine timber, or about 200 board feet of rough boards.

A fairly recent development, which deserves mention, is the manufacture of box shooks from eucalyptus in the Huancayo area. The origin of the box measurements is of interest. They measure 9½ inches in width, 1 foot 2 inches in depth (inside measurements), and 1 foot 7 inches in length. These particular measurements were taken from the empty boxes in which two 5-gallon cans were

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Synthetic Organic Chemicals in Republic of Panama Today

By G. William Cowles,
U. S. Vice Consul, Panama, R. P.

NO SYNTHETIC ORGANIC CHEMICAL industry exists in Panama, and the only coal-tar products or derivatives obtained from domestic sources are byproducts of other processes. Chemicals used in Panamanian industries are imported, and most chemical dealers maintain limited stocks because of climatic conditions. Firms in the interior of the country are usually supplied by wholesalers in the cities of Panama and Colon.

Panama is a foreign sales territory, although there has been a tendency on the part of many United States exporters to associate it with the Canal Zone. The two are not identical markets, but are, in fact, markets as different in character as any other two in the Latin American group.

Transportation Facilities

The Republic of Panama occupies an area slightly smaller than the State of South Carolina. Its interior is mountainous, with the highest altitude a little more than 11,000 feet. The Panama Railroad connects the cities of Panama and Colon, and it is operated by the United States Government in connection with the Panama Canal. There is only one other public railroad, a short, narrow-gage line running from the Pacific ports of Puerto Armuelles and Pedregal to Boquete and David. This road is owned and operated by the national Government of Panama, and the banana and coffee industries are the principal users. Internal transportation is chiefly by coastwise ships and motortrucks. West from the city of Panama, a good road runs to David, a distance of 308 miles. It is being extended to the Costa Rican border as a link in the Inter-American Highway. A trans-Isthmian road has been completed recently.

Industrial Development

Panama's industries fall mostly within the agricultural and forestry groups. Principal products are bananas, coconuts, coffee, cocoa, rubber, abaca, rice, corn, sugar, plantains, potatoes, and tropical fruits. Some dairy and poultry establishments are found in the Republic, and the raising of beef cattle is important. In the interior are found mahogany and other hardwoods, manganese, and gold, but because of lack of transportation facilities, these are not exploited to any great extent.

Leading products manufactured locally are furniture, shoes, leather goods, soap, straw hats, confectionery, canned milk, macaroni, liquors, building tiles, perfumes, and refined edible oils. The largest industrial plant, Cervecería Nacional, manufactures soft drinks, beer, and charged waters. There are several other bottling works. Imports of citric acid in 1942 amounted to 13,550 pounds.

Production of alcohol from sugarcane is becoming important. Approximately 300,000 gallons are being manufactured annually. About 90 percent of this output is consumed at present in the production of alcoholic beverages, the remainder going to furniture manufacturers, druggists, and perfume makers.

Production and Demand

Little or no demand has been apparent from the consuming public for synthetic organic chemicals except flavoring extracts. Paper, textiles, plastics, rubber, artificial leather dyes, explosives, photographic chemicals, synthetic resins, and insecticides are not manufactured in Panama. Insect deterrents are produced locally from petroleum bases imported from the United States, but this activity has not assumed sufficient importance to be called an industry. Local tanneries make a vegetable tanning compound for treating reptile skins, which, however, is not considered entirely satisfactory. It is said to be effective only for limited periods in the preservation of manufactured leather goods.

Compañía Panameña de Fuerza y Luz, the only company in Panama manufacturing gas for cooking purposes, obtains in the process a residue of about 50,000 pounds of unrefined naphthalene, which has heretofore been regarded as waste material. The company expects soon to develop a method which will make it possible to recover naphthalene in a refined state. If this attempt is successful, the product will be sold for domestic consumption.

The same company has been discarding, annually, some 36,000 gallons of unrefined benzene not considered of commercial value. Since no apparent demand exists for the product, it is not likely to be placed on the market.

Tar is also produced by Compañía Panameña de Fuerza y Luz and is sold to the Government for use in the resurfacing of streets and roads. The output is approximatley 230,000 gallons annually, which is considered sufficient to meet the particular demands.

It is expected that about 120,000 pounds of glycerin will be available annually from the soap-manufacturing enterprise of the Compañía Panameña de Aceites, S. A. However, the plant will not start production on a large scale before 1945.

Imports

Imports of raw materials for medicinal preparations are currently from the United States, and American suppliers are expected to maintain their places in that branch of the organic-chemicals

(Continued on p. 33)

In Panama City. Courtesy Pan American Union

Dominican Republic in 1943

Prepared in American Republics Unit, Bureau of Foreign and Domestic Commerce, on Basis of Report From JAMES G. MCCARGAR, *Third Secretary and Vice Consul, American Embassy, Ciudad Trujillo*

STIMULATED by a good year in foreign trade, commercial activity in the Dominican Republic during 1943 was generally satisfactory and in most lines was at a higher level than in 1942. Exports, according to value, showed an increase of 80.5 percent over those of 1942, and, contrary to expectations, the value of imports increased 25 percent over those in 1942. The year as a whole was one of relative stability as compared with the many adjustments made necessary in 1942 by the extreme tightness of shipping. The reliance of a heavy portion of the Dominican Republic's internal trade upon *imports* resulted in shortages of manufactured items and in apprehensive price increases. Purely domestic commerce suffered the same inconveniences through lack of internal transportation. The operation of the export-control program in the United States, however, insured a sufficient amount of imported essential goods to maintain the domestic economy and permitted greater emphasis to be directed to aiding the war effort. Concentration was on production of foodstuffs for domestic consumption and for export to the United Nations, and quantities of rice, peanut cake and meal, corn, yucca, and other products were exported despite increased domestic demand and, in some cases, reduced production.

Total Government revenues during the year amounted to $17,400,000, the highest in the history of the Republic, as compared with estimated revenues for the year of $13,700,000.

Agriculture

The announced aim of the Government for 1943 in the field of agriculture was to contribute to the successful prosecution of the war through the supplying of surplus foodstuffs to the United Nations, to be attained through expanded production based on both a wider cultivated area and more intensive cultivation.

Circumstances during the first half of 1943 were not auspicious, either for the achievement of the Government's agricultural aims or for the welfare of individual farmers. Torrential spring rains and a prolonged summer drought adversely affected a number of the principal crops, among them rice, peanuts, coffee, and tobacco. Internal transportation difficulties, resulting from the lack of tires, led to price increases and occasional scarcities, particularly in the capital and the port towns. Shipping difficulties caused apprehension among exporters, particularly those dealing in cocoa, throughout the entire year. At periodic intervals, representatives of the sugar industry warned that in the face of labor and shipping shortages dire results could be expected for the 1943 sugar crop. However, the general forebodings expressed during the year were not justified by the results, with the possible exceptions of the rice, banana, and plantain crops.

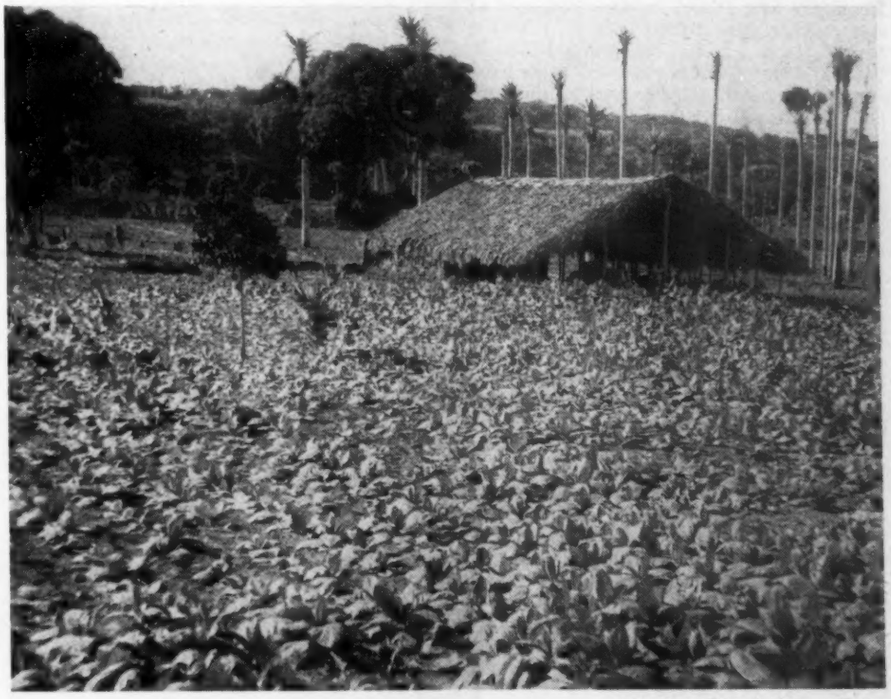
During the year, the record amount of 102,232 acres were plowed, not including plowing by sugar centrals and other corporation enterprises, as compared with 69,427 acres in 1942. Of the 1943 amount of plowed land, slightly less than one-fourth of the plowing was done with equipment provided by the Government. That, in the face of this extension of tilled soil and of large plantings, crops were generally only average, reflected conditions beyond the control of either the Government or the individual farmer. The money value of the yields, due to transportation shortages and high prices in foreign markets, more than compensated, however, for low volumes.

Yields and exports of the staple crops (sugar, coffee, tobacco, and cocoa) were satisfactory. Sugar production for the year amounted to 451,306 metric tons. Production for the 1943 crop year (September 1, 1942, to August 31, 1943) amounted to 430,216 metric tons and was purchased by the Commodity Credit Corporation. The disposal of industrial molasses, on the other hand, did not meet with the same success as sugar. Large quantities of molasses were ditched throughout 1943 for lack of a purchaser and of storage space. Molasses exports were less than half of their 1942 levels. However, in December 1943 relief was obtained through a sales contract with the Commodity Credit Corporation for the existing molasses stocks and purchase of 1944 production at a very favorable price.

As a result of the efforts employed to improve the cultivation methods of cocoa and to increase the production of this staple crop, which has a good market in the United States, the 1943 crop was of a high quality. The same efforts were applied to coffee, but results were not quite so satisfactory. Exports, however, of both crops were well above those in 1942.

Most tobacco seedlings were destroyed during the early part of 1943 by rains and by disease. Despite the inauspicious beginning, distribution by the Govern-

(Continued on p. 29)



Courtesy Pan American Union

Tobacco plantation in the Dominican Republic.

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News by COUNTRIES

Argentina

Tariffs and Trade Controls

Tariff Valuation Increases Authorized.—Increases in the official Argentine tariff valuations were authorized by decree No. 14630 of June 6, 1944, for the announced purpose of developing and protecting industries of national importance. The decree also authorizes the fixing of import quotas and prohibitions, and provides, in case the foregoing measures fail, for subsidies to important national industries.

Industries of national importance which will be protected by the decree are defined as those which use domestic raw materials exclusively and supply their products to the domestic market and those which use foreign materials for articles of prime necessity or for national defense.

Increases for development are limited to 50 percent of the values fixed in the Tarifa de Avaluos (Tariff Schedules), but those for protection against dumping may be higher. Should subsidies be needed funds are to be specifically provided in each case. None of these provisions of the decree has been put into effect, nor has a regulatory decree been issued.

Provision is made for the establishment of an Industrial Development Advisory Commission, which is to be made up of one member each from the Division of Commerce and the Division of Industrial Economy and Policy of the Ministry of Agriculture, one member each from the Ministries of Foreign Relations, Finance, War, and Navy, and a representative each for the Argentine Industrial Union and the Buenos Aires Stock Exchange.

New Commercial Agreement Concluded With Spain.—Described as a modus vivendi by officials of both countries, a new trade agreement was signed June 3, 1944, by Argentina and Spain. The new arragnement, which is a modification and extension of the Argentine-Spanish agreement of September 5, 1942, provides for the sale by the Argentine Government of 1,000,000 tons of wheat and 500 tons of tobacco to the Government of Spain. The latter Government also agrees to purchase 10,000 tons of cotton from Argentine exporting firms.

In return, Spain undertakes to deliver at least 5,000 tons of iron and steel by September 4, 1944, and sufficient amounts before December 4, 1944, to bring the total since September 5, 1942, up to 82,500 tons. Thereafter, 60,000 tons are to be delivered at the rate of 15,000 tons quarterly.

Argentina is to ship the wheat by December 31, 1945, provided Spain's shipments of iron and steel have been made in accordance with the agreement. The cotton and tobacco are to be delivered within a year from the date of the treaty.

Spain also agrees to increase its semiannual amortization payments by 10,000,000 Argentine pesos. The previous agreement provided for semiannual payments of 10,000,000 pesos.

All general clauses of the 1942 agreement are made applicable to the present agreement insofar as there is no conflict in specific stipulations.

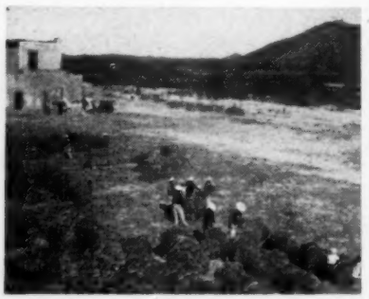
[For an account of the signing of the earlier agreement see FOREIGN COMMERCE WEEKLY for October 31, 1942.]

Transport and Communication

Opening of New Railroad from Pedro Vargas to Malargüe.—The new Pedro Vargas-Malargüe railroad was officially inaugurated by the Minister of Public Works of Argentina on June 7. This railroad extends from Pedro Vargas on the southern route of the Buenos Aires Pacific Railway to Malargüe, some 112 miles southwest, and will make available the Mendoza coal deposits, other minerals, and agricultural and livestock products.

The route of the new line is from Pedro Vargas through Tierras Blancas, Cortaderas, Medano Atravesado, and Cerro Los Pocitos to Malargüe. The cost of construction is reported to have been 16,000,000 Argentine pesos, or approximately $4,000,000.

The Cover Picture



Guayule

Our cover picture this week shows a scene in the guayule industry in Mexico. Guayule has been proving distinctly helpful in the widespread Western Hemisphere campaign to develop replacements or natural substitutes for the vast supplies of Hevea rubber that we used to get from the regions of Southeast Asia and the islands. Our neighboring Republic to the south is the principal source of this rubber-producing shrub, guayule, the utilization of which has experienced a noteworthy upswing.

Belgian Congo and Ruanda-Urundi

Tariffs and Trade Controls

Export Restrictions Revised and Amplified.—Export permits are required for most exports from Belgian Congo and Ruanda-Urundi, effective from April 15, 1944, by legislative ordinance No. 70/Appro. of March 2, published in the Bulletin Administratif of April 10, 1944.

This requirement, which formerly applied to a limited list of products, provides that export permits must be obtained in advance from the Governor of the Province for the following products:

All articles of food and beverages of local production; all livestock; castor beans; textile yarns and fabrics of local production and made-up articles, including packing cloths, tents, sacks, bales, and tarpaulins; construction materials and furniture of local production; all wood, except mine timber, ties, box boards, and articles made of native wood; all chemical and perfumery products of local production; leathers and leather wares of local production.

Licenses from the Office of Supplies are required for the exportation of the following:

All imported products and all articles and objects into the composition of which imported products enter; all metallic products of every kind and under any form; industrial products of leather and of rubber; all imported used articles, except personal baggage; and all medicinal products not otherwise regulated.

Aircraft of regular lines and tourist aircraft and automotive vehicles, including their fuels and lubricants, remain exempted from the export-license requirement.

[See FOREIGN COMMERCE WEEKLY of June 20, 1942, May 1, 1943, and January 1, 1941, for previous announcements.]

Bolivia

Tariffs and Trade Controls

Tungsten: "Additional" Export Tax Reduced.—Tungsten concentrates of over 50 percent tungsten-trioxide content exported from Bolivia are now subject to an "additional" tax of only 28 percent of the value of the amount of foreign exchange that must be deposited with the Banco Central, according to a decree effective July 7, 1944. This decree also lowers the tax on lower grades of tungsten on a graduated scale.

Formerly, the "additional" tax on the highest-grade tungsten (more than 45 percent tungsten-trioxide content) in effect since March 15, 1943, was 40 percent of the value of the amount of foreign

exchange required to be deposited with the Banco Central.

[For announcement of law of March 15, 1943, see FOREIGN COMMERCE WEEKLY of July 17, 1943.]

Transport and Communication

New Railway Important Link with Argentina.—Work on the Yacuiba-Santa Cruz Railway of Bolivia was officially initiated on May 23, 1944. The line will extend from Positos, Argentina, a town just south of the Argentine-Bolivian board to Santa Cruz, Bolivia. Surveying has been completed from Positos to Villa Montes, and the roadbed between Yacuiba and Villa Montes is under construction. The extension of the line to Santa Cruz has not been surveyed except for preliminary studies, and only preparatory work has been done on the branch line from Machareti to Sucre.

Argentina is financing the work on this railway to the extent of 12,200,000 Argentine pesos, in accordance with the Bolivian-Argentine treaty of February 10, 1942. Already the Argentine Government has advanced 5,000,000 pesos for the current year to cover cost of initial activities. Argentina's interest arises from the fact that the railway will unite the Bolivian Oriente with the Argentine railway system at Yacuiba, thus facilitating the transporting of Bolivian crude oil to Argentine refineries.

Brazil

Transport and Communication

Radio-Telephone System to Link Capitals.—The capitals of all the States and territories of Brazil are to be linked together by a radio-telephone system, says a recent decree issued by the President.

Canada

Tariffs and Trade Controls

Additional Fresh Fruits Exempted From War Exchange Tax.—In order to reduce the landed cost and maintain price celings in Canada, an order in council was passed, effective July 10, 1944, exempting imports of the following fresh fruits from the war exchange tax of 10 percent ad valorem: Apricots, cherries, peaches, pears, plums, prunes, apples, grapes, cantaloups, muskmelons, and melons.

Among the vegetables and fruits exempted from the war exchange tax by previous orders are the following: Imports of fresh potatoes, onions, beans, cabbage, carrots, celery, lettuce, peas, spinach, tomatoes, pineapples, grapefruit, lemons, and oranges.

The 3 percent special excise tax on imports from general tariff countries is also remitted on the foregoing commodities but this has no application to imports from the United States. The sales tax does not apply to vegetables and fruits imported in their natural state.

Chile

Tariffs and Trade Controls

Medicinal Products and Pharmaceutical Specialties: Authorizations for Advertisements Must Be Renewed.—Authorizations for all advertisements relating to medicinal products and pharmaceutical specialties sold in Chile which were granted prior to resolution No. 1853 of June 2, 1944, have been cancelled by resolution No. 2094 of the Bureau of Sanitation, which was published in the Dairio Oficial of June 22, 1944. The cancellation became effective July 20, 1944, as of which date authorizations for advertisements granted prior to June 2 had to be renewed and all advertisements by stores, newspapers, magazines, or radio had to conform to the requirements of the censorship committee as outlined in the Chilean sanitary code and regulations covering pharmaceutical specialties.

Cuba

Transport and Communication

Improvements at Airport, Camaguey, Cuba.—Improvements at the airport located at Punta Alegre, Camaguey, Cuba, were reported late in June to be two-thirds completed. The project is being financed entirely by private industry. While the long runways under construction are said to be of little immediate use, officials of the industry concerned believe that after the war the location may become a stop for one of the air lines serving the Caribbean area.

Dominican Republic

Tariffs and Trade Controls

Penicillin: Importation and Sale to Be Regulated by Newly Established Control Commission.—A Penicillin Control Com-

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches

China's Objectives and Aspirations for Post-War Economic Progress

As soon as peace is restored China will look forward to a period of modernization and industrialization. There are tremendous potentialities for development in transportation and communications. Plans have been laid for rehabilitation and reconstruction after the war.

In the first place, we have formulated a plan for a national transportation system in which railways, highways, waterways, and airways are duly mapped out and coordinated and a national communication system in which telegraph, radio, city and long-distance telephones, broadcasting, and a post office are all interrelated. Both national economy and national defense have been taken into consideration without sacrifices to international needs.

In the second place, we have gained by the experience abroad. We have formed several committees to work on standardization and specifications of equipment and materials required by railways, ships, planes, telegraphs, telephones, etc. This work has been carried on for several years and will be pushed to completion in the nearest future.

In the third place, we have not forgotten the need for international cooperation as stressed by Dr. Sun Yat-sen, our national father, in his book "International Development of China" written soon after World War I. He foresaw the need to divert surplus productive energy and manpower in war industries to peaceful pursuits as soon as war ends and favored that such productive energy and manpower be devoted to develop China's vast resources. It is regretable that such schemes could not be materialized then. It seems certain that after the close of World War II the same conditions will exist. Let us propose that the principles outlined by Dr. Sun should be brought into application with minor modification.

Generalissimo Chiang has in his new book "China's Destiny" formulated a program for the execution of Dr. Sun's plan. We may say that foreign capital in the form of machinery and materials will be greatly needed and always welcome in China provided that investment is made in consistency with the principle of equality. Foreign technical assistance is also needed and welcomed. A modernized China will be a great step forward in the rehabilitation and reconstruction of the new world.

The war has demonstrated the efficiency of our organization and the ability of our men engaged in transportation and communication. China's engineers have built railways, highways, bridges, tunnels, airfields, with commendable speed and standard. Transportation men have shown skill and bravery in handling military movements during the various critical stages of the war. Our past record is gratifying. However, in view of the magnitude of post-war reconstruction China requires many more engineers and experts than we have today. We have arranged to send some students to study abroad. Cooperation and assistance of the Allied governments, industries, and transportation firms will be most welcome.

(From a recent address, at Chunking, by Tseng Yang-fu, Chinese Minister of Communications, on the subject, "Transportation and Communications in China.")

Sweden Looks Toward "Post-War"

Sweden's chances of escaping a serious unemployment crisis during the period of transition after the war will depend mostly on whether *raw materials* will be available in sufficient quantities. This is brought out in a new report by a Swedish Government committee for post-war planning.

There is the risk that the present difficulties will remain and that in certain respects they may even become seriously increased, the report continues. A probable intensification of the war in other parts of the world must be taken into consideration (say the writers) as likely to reduce the capacity of the western powers to supply Europe with raw materials to the extent desired.

The committee therefore recommends further restrictions in the domestic consumption of certain goods, and that all avenues of import be utilized. It also advocates an increase in the domestic production of such goods as pig iron and fuels and suggests that the possibilities of maintaining and increasing the country's reserves of important raw materials be investigated.

The committee holds that it would be justifiable to take relatively big financial risks for this purpose.

mission has been established in the Dominican Republic to regulate the importation, removal from customs, and sale of sodium penicillin in that country, according to Dominican Presidential decree No. 2002 of June 23, 1944. The decree also provides that in urgent cases the president or vice president of the commission may issue permits for sale, reporting such action to the commission in the next meeting. The purpose of the decree is to provide an equitable distribution of penicillin and to limit its use to necessary cases.

Rum and Alcohol: Authorization of Executive Power to Establish Export Quotas and to Lower Export Charges.—The President of the Dominican Republic has been empowered by the Congress to establish annual quotas for the exportation from the country of alcohol and rum, and, if necessary, to reduce the export charges on exports of these commodities if their sales price makes such reduction advisable, according to law No. 618 of June 3, 1944.

Ecuador

Tariffs and Trade Controls

Rice: Additional Export Quotas Established.—The exportation from Ecuador of 75,600 quintals and 350,000 quintals (101.4 pounds per quintal) of rice was authorized by decrees No. 2255 and 2269, dated January 31, and February 3, 1944, respectively.

The total amount of rice allowed exportation since June 1, 1943, when the first quota became effective, is 1,425,600 quintals.

[See FOREIGN COMMERCE WEEKLY of July 3, 1943, and February 12, 1944, for announcement of previous export quotas of rice.]

El Salvador

Tariffs and Trade Controls

Convention on the Regulation of Inter-American Automotive Traffic Between the United States and Other Latin American Countries Approved and Ratified.—The Government of El Salvador has approved the Convention on the Regulation of Inter-American Automotive Traffic signed by the United States and 10 Latin American countries, including El Salvador, on December 15 and 31, 1943, and on January 6, 1944. The Convention was ratified by Salvadoran decree No. 61, dated June 13, 1944, published in the Diario Oficial, San Salvador.

[For an announcement of the signature and terms of the Convention, See FOREIGN COMMERCE WEEKLY of February 5, 1944.]

France

Tariffs and Trade Controls

Preserved Foods and Fish: Coordination Committee Established.—A Committee to Coordinate the Common Activities of the Organization Committees of the Preserved Fish Industry and of the Industries Manufacturing Preserved Foods was established in France by decree No. 1821 of September 4, 1943, published in the Journal Officiel (Vichy) of September 10.

Agricultural Production: Organization Committee of Auxiliary Commerce Formed.—A General Organization Committee of Auxiliary Commerce of Agricultural Production was established in France by Decree No. 1318 of July 6, 1943, published in the Journal Officiel (Vichy) of October 19.

Such commerce includes direct trading with farmers in products of the soil not suitable for delivery in that state for the needs of human consumption and retail selling to farmers of products intended to be used in agricultural production.

Wheat and Rye: Minimum Extraction Ratios Revised.—The minimum extraction ratios for wheat and rye milled into bread flours in France have been revised, effective from October 11, 1943, by an order of October 10, published in the Journal Officiel (Vichy) of October 29.

Millers are required to extract the following quantities of flour from each 100 kilograms of grain milled:

Wheat with a specific gravity exceeding 76 kilograms, 14 kilograms above the specific gravity of the wheat;

Wheat with a specific gravity less than or equal to 76 kilograms, 90 percent;

Rye with a specific gravity exceeding 74 kilograms, 16 kilograms above the specific gravity of the rye;

Rye with a specific gravity less than or equal to 74 kilograms, 90 percent.

[See FOREIGN COMMERCE WEEKLY of November 14, 1942, for announcement of former ratios.]

French North Africa

Tariffs and Trade Controls

Tin-Plate Stocks in Morocco Reserved for Specified Foods; Sale and Circulation of Such Foods Restricted.—All stocks of tin plate existing in the French Zone of Morocco have been blocked in the hands of their holders by an order of March 24, 1944, published in the Bulletin Officiel of April 14.

These stocks have been reserved solely for the manufacture of the following preserved foods: Fresh fish in oil or "au naturel," vegetables, meats, cooked foods, pure preserves or jams with sugar, and fruit juices.

The circulation and sale of the preserved foods listed above are subject to permit from the Director of Economic Affairs.

Imported preserved foods are subject to the same regulations as those of Moroccan production.

Raw Hides and Skins: Collection and Trade Regulated in Tunisia.—Stocks of raw hides and skins were blocked in Tunisia and the collection, trade, storage, transportation, etc., were regulated by orders of March 27 and 28, 1944, published in the Journal Officiel Tunisien of March 31.

French West Africa

Economic Conditions

POPULATION IN 1941

French West Africa's population on December 31, 1941, was 15,582,535, as compared with 14,700,000 in 1936, according to an official estimate issued recently. The sharpest gain was made in the Circumscription of Dakar, the seat of government for the whole group of colonies comprising French West Africa, where the total population was 165,188 in 1941, as against 92,600 in 1936. The total in 1941 (1936 figures in parentheses) comprised 18,233 Europeans and "assimilated" of French origin (4,941) and 1,820 (1,567) of non-French origin, of whom 1,613 were Libanese-Syrians; 46,094 (28,849) natives with French citizenship; 96,722 (55,573) natives without French citizenship; and 2,319 (1,657) non-Europeans of foreign origin. The area of the Circumscription of Dakar is only 66 square miles.

The distribution of the population by colonies for French West Africa in 1936 and 1941 was as follows:

Territory	Area [1]	Population	
		1936	1941
	Square miles		
Colonies:			
Senegal	77,000	1,700,000	1,723,068
Mauritania	328,000	400,000	366,853
French Sudan	579,000	3,600,000	3,794,270
French Guinea	96,500	2,000,000	2,117,705
Ivory Coast	183,000	3,850,000	4,047,041
Dahomey	42,500	1,350,000	1,424,220
Niger	502,000	1,750,000	1,944,190
Circumscription of Dakar	66	92,600	165,188
Total	[2] 1,800,000	[2] 14,700,000	15,582,535

[1] Based on official estimates.
[2] Rounded off in accordance with the French estimates on which they are based.

Haiti

Tariffs and Trade Controls

Mahogany Products: Conditions Established Under Which Export Licenses Will Be Granted.—Export permits for articles made of mahogany, required on all shipments of such merchandise outside the country, will now be issued by the Haitian Department of Commerce and National Economy only after a written request is made for the permit with which are included details of the make-up of the articles to be exported, according to a communique issued by that Department and published in the Moniteur, May 15, 1944.

Exporters are required to submit photographs of each of the various models produced by them, with dimensions in inches of the length, width, and thickness. Applications for permits should give for each model, the quantity to be exported, the nature of the product, its order number and unit price, and the total amount involved in the contemplated transaction.

[See FOREIGN COMMERCE WEEKLY of June 10, 1944, for announcement regarding requirement of export permits on exports of handicraft articles in general.]

India

Tariffs and Trade Controls

Proposed Rules for Enforcement of Indian Drugs Act Published.—A draft of proposed rules for the enforcement of the Indian Drugs Act of 1940 was published in the Gazette of India of April 22, 1944. The rules are detailed and comprehensive and are aimed at a uniform control of manufacture, import, and distribution of drugs in India.

Provision is made for a central laboratory authorized (1) to analyze or test samples of drugs, (2) to issue certificates of registration in respect of patent or proprietary medicines, and (3) to carry out such other duties as may be entrusted to it by the Central Government or, with the permission of the Central Government, by a Provincial Government.

Under the rules, as proposed, licenses will be required for the manufacture, sale, and stockage of drugs and for the importation of specified pharmaceutical products. Requirements as to strength, quality, and purity, as well as to packing and labeling of drugs, will be established.

Italy

Transport and Communication

Limited Mail Service Resumed to City of Rome and Vatican City State.—Partial mail service has been resumed from the United States to the city of Rome, Italy, and the Vatican City State, by the Postmaster General's order No. 25323 of July 12, 1944, effective at once and published in the United States Postal Bulletin of July 14.

Letters and post cards of a personal character will be accepted for mailing to these places under the conditions and restrictions set forth in order No. 24012 of February 16, 1944, which permitted partial resumption of mail service to certain parts of Italy.

Facilities for the transmission of mail intended for the Province of Rome, other than the city of Rome and Vatican City State, have not yet been established.

[See FOREIGN COMMERCE WEEKLY of February 26, 1944, for the text of order No. 24012 of February 16, and of April 1, 1944 ,for its application to additional Italian Provinces.]

Madagascar

Exchange and Finance

Issue of New Coins of 1 Franc and 50 Centimes.—The Governor General of Madagascar is to have struck and issued coins of the denominations of 1 franc and of 50 centimes to a total amount of 5,000,000 francs, according to two decrees of the French Committee of National Liberation published in the Official Journal of Madagascar and Dependencies, of April 15, 1944.

The coins are composed of an alloy of 95 percent copper, 4½ percent zinc, and ½ percent tin. The diameter of the 1-franc piece is 25 millimeters, and that of the 50-centime piece is 20 millimeters; the respective weights are 5.45 and 2.72 grams. They will be legal tender in amounts of 100 francs or less.

Netherlands Indies

Exchange and Finance

A new banking institution, De Bank voor Nederlandsch Indie, N. V. (The Bank for the Netherlands Indies, Ltd.), was incorporated at London, on February 21, 1944, and the statutes were published in the Netherlands Gazette of May 30, 1944. It will be a temporary institution—to begin operations when the Governor of Surinam declares he has no objections, and to terminate on December 31, 1948, unless conditions dictate an earlier closing or an extension. The new bank was formed by the General Government of the Netherlands Indies in cooperation with representatives of three Indies banks; the Nederlandsche Handel Maatschappij, N. V. (The Netherlands Trading Society, Ltd.), the Nederlandsch Indische Escompto Maatschappij, N. V. (The Netherlands Indies Discount Co., Ltd.), and the Nederlandsch Indische Handelsbank, N. V. (The Netherlands Indies Commercial Bank, Ltd.).

The designated object of the company is to execute a banking business in the widest sense, to conduct financial operations, especially as agent for the military and civil government, to finance transactions of import and export, to act as manager, appear as trustee, and to administer acts of commerce and enterprise, on behalf of the economic rehabilitation of the Netherlands Indies during that period between liberation and restoration of normal conditions.

The joint paid-in capital is 100,000 Surinam guilders (approximately $53,000 in United States currency) subscribed equally by the four founders. Shares may be alienated to Netherlands' subjects or legal persons in the kingdom, but must first be offered to the Netherlands Indies Government at par.

The Government will exercise influence over the new structure through the appointment of a Government Commissioner, who must approve all decrees of the Board of Directors. In case of nonagreement between the Government Commissioner and the Board, appeal may be made to the Governor General of the Netherlands Indies. Dr. R. E. Smits, Director of the Java Bank and member of the Netherlands Indies Committee for Australia and New Zealand, has been ap-

Flight Into the Guilder

A Nazi measure recently reported in the Swiss press forbids the exchange of more than 150 reichsmarks into Dutch guilders, and even then it is necessary to prove that the person wishing to effect the exchange is on the point of undertaking a journey to Holland, says the Netherland Information Bureau. German soldiers going or returning to the Netherlands must exchange their marks through certain official channels.

This is additional to the recent regulations forbidding Dutch banks to change reichsmarks into guilders without a thorough investigation into the applicant's standing and the reasons for the proposed exchange—and additional also to the stop order against Dutch railways, post offices, and other agencies accepting German currency.

The Swiss press indicates two reasons for the new restrictions: (1) Many Germans expect that the guilder will maintain its value better than the reichsmark; hence the incipient "flight into the guilder." (2) The shortage of civilian consumer goods has caused many Germans to indulge in black-market operations in the Netherlands.

pointed the first Government Commissioner. Since the small capital will be insufficient to carry on the activities planned, the Government will provide operating funds of Government guilders, the new currency, and also guarantees all obligations.

Paramaribo, the capital of Surinam (Netherlands Guiana, South America), will be the provisional seat of the bank, with offices at places to be determined by the company, with the approval of the Government Commissioner, who has the competency to close as well as open new offices.

Upon liberation of the larger islands of the Netherlands Indies, it is not expected that much will remain of the credit and commercial structure of the banking institutions erected there in pre-war years by the Netherlanders, or that what may remain will not be completely disrupted. The Government has considered, therefore, that a coordination of all phases of financial and commercial transactions in an efficient, controlled financial system will be necessary for the restoration of stable economic life. To this end, powers have been given to the new bank to issue and supervise circulation of a new Government guilder, to control foreign exchange and trade, and to conduct many other activities of commercial banking.

A royal decree of February 3, 1944 (Staatsblad No. E 10), stipulated that no banking business can be carried on in the Netherlands Indies until further notice, except under license from the Governor General, who will first consult the Bank for the Netherlands.

Imported Commodities: New Method of Calculating War-Risk Costs

War-risk-insurance costs on all imported commodities covered by the Maximum Import Price Regulation must be calculated under a new method, the Office of Price Administration announced July 17.

The new method, which became effective July 19, 1944, is made necessary by the discontinuance of war-risk insurance on commercial cargoes by the War Shipping Administration. The latter discontinued this insurance on shipments made after June 25, 1944, with the exception of shipments of coffee, cocoa, cresylic acid, chrome ore, and manganese ore, which are covered by other price regulations.

War-risk-insurance costs for shipments made after June 25, 1944, may not exceed the amount of the war-risk-insurance premium paid, at rates in effect at time of shipment, on a value representing 105 percent of the sum of the foreign invoice price, freight to the port of entry, and premiums paid for marine and war-risk insurance.

This change in method will not affect prices on imported commodities, since it approximates the amount of coverage allowed under the policies insured by War Shipping Administration up to June 25, 1944.

Nyasaland

Transport and Communication

Air-Mail Service from Nyasaland to U. K.—Air-mail service from Nyasaland to the United Kingdom was scheduled to begin on May 29, 1944, according to the South African press. Mail will be dispatched twice weekly from Blantyre.

There will be no air-mail service from the United Kingdom to Nyasaland.

Reunion

Tariffs and Trade Controls

Special Annual Turn-Over Tax Abolished.—The special turn-over tax, established in Reunion on December 15, 1941, on annual commercial operations, importations, and exportations exceeding 500,000 francs has been abolished, effective on transactions made after January 1, 1943, by order No. 47F of January 12, 1944, published in the Journal and Bulletin Officiel of January 14.

This tax ranged from 0.50 to 5 francs per 1,000 francs on the amount of transactions.

[See FOREIGN COMMERCE WEEKLY of July 4, 1942, for previous announcement.]

Products Containing Alcohol: Consumption Tax Increased by One-Fourth.—The basic consumption tax in Reunion of 2,000 franc per hectoliter of pure alcohol contained in distilled beverages, brandies; spirits, preserved fruits, essences and extracts, perfumeries, medicines, and liqueurs has been increased by one-fourth, for the benefit of the local budget, by order No. 47F of January 12, 1944, approving the temporary application of this increase on March 31, 1943, and published in the Journal and Bulletin Officiel of January 14, 1944.

[See FOREIGN COMMERCE WEEKLY of January 10, 1942, for announcement of a previous increase in this tax.]

Sweden

Economic Conditions

RETAIL TRADE SURVEY

A recent study of Swedish retail trade, particularly during the present war, made by the Business Economy Research Institute, has revealed that trends in sales in various branches, since 1938, have differed considerably.

The greatest value increase (determined by computation, from various indexes available) was in the tobacco trade, where an increase of 74 percent in sales was recorded for 1942; wines and spirits had achieved a 47 percent increase by 1941. Footwear sales in 1942 were 38 percent above 1938; hardware sales showed a 32 percent gain for the period; foodstuffs were 20 percent above 1938 levels, but clothing and dry goods gained only 5 percent.

It is estimated, on the basis of conversions of sales value to volume equivalent, that the quantity of goods sold decreased from 1938 to 1942 in all the above branches, the drop being possibly as much as 40 percent for clothing and dry goods.

The study also shows that in early war years (before the application of the sales tax and rationing) the purchases of clothing and dry goods and, to an even greater degree, of footwear, were influenced by hoarding. In January 1942, shortly after textile rationing was introduced, sales of footwear were more than three times those of January 1941. Hardware sales were influenced in another way, demands caused by active building construction being responsible for their rise from the summer of 1941 (in the July 1940 to April 1941 period they were far below the 1939 figures).

An important objective of this study was the determination of certain normal standards of sales, overhead costs and profit margins in certain retail branches, including garments and drygoods, footwear, books, paints and, to some extent,

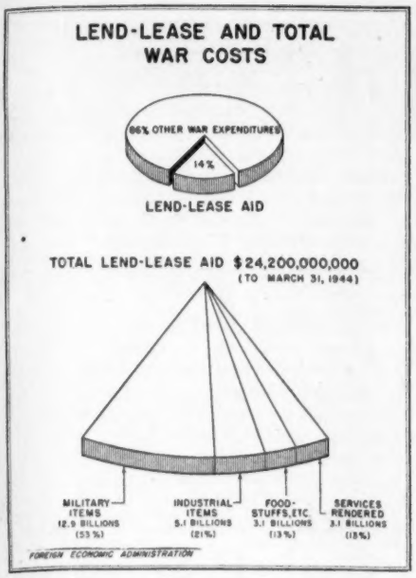
Industrial Exhibition at Chungking, China

An exhibition, participated in by 40 manufacturers, 42 mining enterprises, and 21 electric-power companies, all wholly or partly owned by the National Resources Commission, a Chinese Government organization charged with operation of the Government's industrial, mining, and electric-power enterprises, took place in Chungking recently.

Exhibits included raw materials, semimanufactured and finished articles, models showing geological strata, mining and manufacturing processes, machines, and water-power projects; charts and tables outlining the history and growth of the various enterprises; displays relating to sources of supply of raw materials, transportation and other difficulties encountered, progress achieved in the volume and quality of production; photographs and drawings.

The exhibition was well-planned, and the models, including many in motion, afforded excellent examples of production processes, and depicted clearly the topography and geology of mining areas, mining and oil-drilling methods, and types of hydroelectric power projects. It's primary purpose was to interest the Chinese public in the industrialization of China.

Further details concerning this event are available in the Bureau of Foreign and Domestic Commerce, Contacts and Conferences Section, Washington.



groceries. It was determined that, in 1938, groceries and men's clothing stores averaged sales of 30,000 crowns per employee. For the latter, sales averaged over 1,100 crowns per square meter of floor space. For women's garments only 17,000 crowns of sales per employee were averaged. For the paint trade, sales overaged 15,000 crowns per employee and 450 crowns per square meter floor space.

Union of South Africa

Economic Conditions

Recently gazetted in the Union of South Africa is a provision extending the validity of certificates of essentiality and import permits issued on or after September 1, 1943, if there is a good reason why the goods for which the permit was issued cannot be supplied or shipped during the currency of the document. If a satisfactory explanation can be made to the Imports and Exports Section of the Commodity Supply Directorate an extension will be granted.

It is announced that the Joint Supply Council, established by the governments of the United Kingdom, the United States, and South Africa, has taken steps to assure supplies of oils and greases, of ball and roller bearings, and of sulfur, all of which are urgently required by the other industries in the country. The procurement of sulfur is of especial importance to the agricultural population, as it will be converted to sulfuric acid and in that form used to convert rock phosphate to superphosphate fertilizer.

The supply of small leather goods in South Africa now exceeds the demand This is partially explained by the fact that leather work is taught to convalescent soldiers as occupational therapy, and many of them, on leaving the hospital, embark on this enterprise. It is estimated that the Union will import from 200,000 to 300,000 hides—wet salted, shade-dried and dry salted—yearly from Southern Rhodesia. The Rhodesian Government has agreed not to allow the export of any hides to any destination until the Union's requirements have been met.

Faced early in the war by a shortage of containers, the six manufacturers of corrugated paper in the Union were merged into the War Emergency Containers Pool. In 8 months—from December 1942 to July 1943—the industry produced more than 5,000,000 cases for the packing of South African products. More than 1,000,000 were standardized jam and butter cases. The others were used for the transport and packing of fish, condensed milk, sirup, canned fruit and vegetables. In addition, more than 2,500,000 cases were provided for the packing and transport of footwear, clothing, and for other commercial purposes. For the first quarter of 1944 the pool agreed to supply nearly 2,000,000 cases for the packing of jam, butter, fish, condensed milk, sirup, and any parcels for prisoners of war through the Red Cross.

United Kingdom

Transport and Communication

Operations of Air Companies.—Railway companies in the United Kingdom now have financial interests in five aviation companies, the British press states—not all of which are operating at present.

The following table summarizes the distance flown, number of passengers and weight of cargo carried by the six air companies operating during 1943:

Company	Route miles flown	Passengers carried	Mails and freight carried
	Number	*Number*	*Pounds*
Great Western and Southern Air Lines	42,720	5,525	20,850
Isle of Man Air Services	235,664	11,856	342,299
Railway Air Services	430,452	20,094	107,367
Scottish Airways	428,008	11,619	821,561
Western Isles Airways [1]	334,618	10,548	221,974
West Coast Air Services	101,302	5,018	16,644
Total	1,572,764	64,660	1,530,695

[1] Operated by Scottish Airways.

The volume of soap manufactured in the Lebanon in 1943 was said to be 3,000 metric tons, which was double that produced in 1942. Lack of imports and depletion of stocks on hand caused increased interest in local manufacture of soap in that Near Eastern area.

A gold nugget weighing 614 grams was found at a place known as Las Noches, Chile, in the same locality where in the preceding month a nugget weighing slightly over 500 grams was found, the Chilean press reports.

Britain's Better Dried Egg Powder

A new process for the production of spray-dried eggs has been developed by the British Government Low Temperature Station for Research in Biochemistry and Biophysics in Cambridge, which is said to produce an egg powder superior to any so far offered in England.

It is reported that the egg powder developed at Cambridge can be used in making a number of dishes that cannot be attempted with egg powder ordinarily sold in Britain and that the resulting product is indistinguishable from that made with shell eggs.

Quebracho for Fuel, Argentina

In consequence of the tremendous decline in imports of coal and petroleum, Argentina has been compelled to use its forest resources of quebracho wood for fuel purposes, a foreign trade journal reports. Corn, flaxseed, oilcake, corn cobs, and even wheat also are being burned.

Some Belgium Cities Lack Public Utilities

The newspapers published under enemy control in occupied Belgium have published the following notice:

"As the gas supply services and particularly the generators which provide gas for the Brussels area have been partly damaged during the recent bombing attacks, serious difficulties have arisen in the distribution of gas in Brussels. . . . It is recommended that whenever possible consumers use their gas appliance only during hours outside those of the peak demand."

According to the Nouveau Journal, an alderman appointed to the Brussels administration by the Germans stated:

"The inadequacy of the gas supply is due essentially to the events of the war, the bombing, the sabotage, and the disastrous position of certain electricity supply plants, which can no longer provide sufficient quantities of current to the coal mines to enable them to deliver regular supplies of coking coal."

The public baths in Brussels are closed, owing to lack of fuel.

A large part of the city of Charleroi, in Hainaut, was reportedly deprived of gas during 2 weeks, when the Providence gas-works lacked coal to keep their furnaces going.

In the Charleroi district the telephone service was suspended for some weeks. The Germans announce that the services are now resumed, but the people are requested not to use the telephone except when it is "essential."

News by COMMODITIES

Chemicals

Bones for Fertilizers, Cuba

Large quantities of bones are used in Cuba in the manufacture of fertilizers and substantial amounts have been exported. Since reserve stocks now are being depleted, bones have been placed on the Cuban critical-materials list; however, if the domestic fertilizer industry cannot absorb the entire output, some shipments probably will be made.

Exports of bones in 1941 amounted to 41,000,000 pounds, but declined to 14,000,000 in 1942.

Production of New Fertilizer, Eire

Arrangements have been made in Eire for the production of a new fertilizer, the Department of Agriculture of Erie has announced.

Containing 15½ percent nitrogen, the product will be known as nitrate of ammonia 15½ percent. It is said to be similar in value to nitrate of soda or nitrochalk and may be used for any purpose for which those fertilizers were used. The material also can be substituted for sulfate of ammonia, it is stated.

New Insecticides Being Produced in Peru

A factory recently established in Peru and known as Insecticida Babbini, S. A., is now producing a new insecticide powder known as Babbini at an annual rate of 1,000,000 pounds. Output is expected soon to reach 4,000,000 pounds annually, or approximately the country's requirements.

The product is intended for use against pests attacking the cotton plant. It is composed of chili pepper, sabadilla, arsenic, and quicklime. Sabadilla is imported, while the other raw materials are produced in Peru. The new insecticide is claimed to kill not only the worms but the aphid that attacks the cotton plant. It is being offered to replace calcium arsenate and calcium-arsenate paris-green mixture, although it is higher in price. Whether it actually can replace these materials satisfactorily has not yet been determined, but a single insecticide able to control the several pests that attack the cotton plant would find a ready market.

There are no other Peruvian manufacturers who make a product suitable for dusing the cotton crop. The producers of Babbini state that a liquid insecticide can be made by the addition of alcohol, which is available locally.

Copper arsenate produced at the plant in Peru installed by the National Antimalarial Service is expected to replace paris green for use in the campaign against malaria, the Peruvian press reports.

Production is also expected to be sufficient to provide a surplus of about 35 tons of arsenate of coper for agricultural purposes. The material may be substituted for paris green in the manufacture of insecticides of the verdical type and for arsenate of lime, which is imported on a large scale, according to the Ministry of Agriculture. It is also stated that the product can be manufactured to sell at a lower price than that paid for similar imported materials.

Ammonium Sulfate Produced in Spain

The Company for Nitrogen Utilization has started production of ammonium sulfate at Sestao, Spain, a European chemical journal reports. Coke-oven gases from the Altos Hornos de Vizcaya are being utilized.

Manufacture of Plastic Articles Increasing, Palestine

The production of plastic articles in Palestine is showing a steady increase, a European trade publication reports.

Many articles are being manufactured from plastic materials to replace such products as electrical fittings and kitchen utensils formerly imported from Germany and Japan. Plastics also are used in the manufacture of packing materials, it is stated.

Additional Limestone Plant (Scotland), U. K.

An additional plant is being erected at Parkmore Limeworks, Dufftown, Scotland, a British chemical journal reported late in May. When construction is completed, the factory will have an annual capacity of 30,000 to 40,000 tons of crushed limestone.

Imported Beeswax and Carnauba Wax

Since the lifting last month of import restrictions on beeswax and carnauba wax, the supply of both materials has been sufficient for all military and civilian needs, the Chemicals Bureau of the War Production Board now reports.

There is a possibility that beeswax may soon be obtained from India and Turkey, WPB says. Present sources of supply of beeswax are South America and Africa, while carnauba wax is imported exclusively from Brazil.

More shipping space has been made available from South America for the import of these waxes during the last few months.

Beeswax and carnauba wax are used in ammunition finishes, Army food-container coatings, textile coatings, cosmetics, floor and shoe polishes, candles, and honeycomb foundations.

Definite dollars-and-cents purchasing and selling prices have been established by the Office of Price Administration for vegetable waxes from all parts of the world, and for crude beeswax from the Western Hemisphere and Africa. Importers' purchase and selling prices for crude beeswax from other parts of the world are established by means of individual applications for prices filed with OPA.

Coal, Coke, Charcoal, Peat and Fuel Gases

Production in Canada

Coal and coke production in Canada in the first quarter of 1944 amounted to 4,636,000 tons and 1,033,000 tons, respectively.

Charcoal for Motor Fuel Being Abandoned, France

The use of charcoal in motor units propelled by producer gas is being abandoned in France. There are some 226,000 of these units in operation, says the foreign press. While anthracite and inferior qualities of coal are still being utilized to a certain extent, wood is believed to be the cheapest generator fuel and is therefore in widest use. An additional point in its favor over charcoal is that much less manpower is required in its preparation. Improved techniques in the utilization of wood now make possible higher production of energy than heretofore. It is stated that from 3 to 4 kilograms of wood (containing 20 percent water) can generate power equal to that produced by 1 kilogram of gasoline.

Lubricants, always harder to synthesize or find substitutes for than motor fuels, continue to be a serious consideration in France. Efforts have been made to develop a satisfactory lubricant from vegetable oils, particularly soybean oil, but, so far, not much success has been attained. Yields of lubricating oils for the current year, according to the plan drawn up by the Committee for the Organization of Lubricants are expected from other sources as follows: Shale oil, 21,450 metric tons; colophonic resins, 19,000 tons; and coal, lignite, and peat, 11,150 tons.

Use of Producer Gas in Norway

Motor transportation in Norway is now largely based on producer-gas propulsion, says the foreign press. Conversion to the use of this fuel has been carried out not only in cars, busses, trucks, and other road vehicles but also

in seagoing craft, of which some 1,000 are now functioning on gasogenes.

The main weakness of the plan in Norway seems to be the inadequate supply of generator fuel. Timber plants now are said to supply some 5,000,000 cubic meters of generator wood per year, peat production is believed to be about 2,000,000 cubic meters, and charcoal output 1,500,000 cubic meters. A factory is reported to be under construction at Oslo to purify charcoal for generators. Capacity of the plant is 7,500 cubic meters per month.

Fuel for Motor Vehicles, U. K.

Some 1,000 trailer gas-producers were operating in Great Britain in the early summer of the current year, according to the British press. Earlier in the year it was reported that a total of 14,620 vehicles were operating on alternative fuels, of which 2,477 used producer-gas; 7,626, electricity; 1,796, creosote; and the remainder, coal gas, steam, methane, and other fuels.

Wood-Burning Gas Generators Used in U. S. S. R.

A saving of more than 260,000 tons of "mazut" was effected in the Soviet Union last year through conversion of machinery to use of fuels other than petroleum, according to the Soviet press. Simple wood-burning gas generators are said to be serving a number of munition factories and machine plants with such success that a campaign is underway to popularize use of the generator. Several plants have constructed coal-grinding installations to provide coal dust for fuel, and certain metallurgical works have found that use of a coal-mazut mixture in open-hearth furnaces has reduced petroleum consumption by 25 percent.

Developments in Coal Mines, U. S. S. R.

In the Rostov coal combine, Soviet Russia, 10 mines were put in operation in the first quarter of 1944. In addition, 1,700 meters of vertical shafts were rebuilt, as well as 11 steel head frames, 11 elevators, and 5 large cleaning plants.

The press reports the opening of two shafts of the Novo Mushketovo mine, after 52,000 cubic meters of water had been drained.

To meet war needs plans for accelerated development of the Fedorovski coal deposit in the valley of the Sokur and Malaya Bukpa Rivers in Karaganda Oblast are reported. Open pits are to be used in exploiting the deposit, which is close to the surface. The annual capacity is expected to be 1,500,000 million tons.

Two restored mines of the Snezhnyantratsit trust are reported to be producing more coal than before the war.

The Soviet Unions coke output in 1943 is reported at 20 percent higher than in 1942 and 106,000 tons in excess of the quantity planned.

Production of 4,000 tons of coal from an open-cut mine in Karaganda Coal Basin, Soviet Russia, 5 kilometers outside the town of Novaya Karaganda, is reported by the Soviet press. The mining is done by excavators instead of hand drilling. This method is reported to be four times as productive as the shaft method.

Opening of the mine was preceded by 10 months of construction work. In addition to laying 28 kilometers of rail to connect the mine with the main line and bringing coal cars 32 to 35 meters below the surface, one station was built for the loading of coal and another for the loading of bedrock.

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Construction

Building Construction Increasing in Brazil

Construction activity in Sao Paulo, Brazil, is showing an upward trend. The number of building permits applied for during the first 3 months of 1944 totaled 2,286, as compared with 2,026 for the corresponding period of 1943. Building construction also is picking up in Rio de Janeiro, according to the number of permits applied for in May, which totaled 143, as against 123 for April and 115 for March.

Limitation Placed on Building Permits, British Columbia, Canada

The number of building permits to be issued monthly for the British Columbia (Canada) coastal area has been limited to 400. Every Thursday the Regional Construction Controller sends 100 applications to Ottawa in the order of their receipt, and the rest are held over until the next Thursday, according to a Dominion trade publication.

Irrigation Project Planned for Palestine

Plans are being made for a gigantic irrigation project in Palestine which would change farming practices and develop cheap power, according to the foreign press. The scheme provides for the irrigation of 500,000 acres of land, the building of a network of artificial streams, and the erection of hydroelectric power stations. The total cost would approximate $175,000,000.

Silo-Construction Program, Switzerland

Switzerland's silo-construction program for 1944 calls for the erection of 750,000 cubic meters of silo space. A previous plan provided for the construction of 500,000 cubic meters in 1943 and an equal amount in 1944; however, only half of the 1943 quota was completed. Two urgent reasons for building more silos are that milk production is decreasing because of a feed shortage and fodder loses only 10 percent of its nutritive value when stored in a silo, whereas hay loses 40 percent.

Restoration of Houses in the Ukraine, U. S. S. R.

The Soviet Union Government has appropriated 500,000,000 rubles for the restoration of houses in the Ukraine in 1944. Tremendous amounts of lumber—nearly 6,000,000 cubic meters in the cities of the Stalino Oblast alone—would be required to carry out this program which calls for the provision of 2,000,000 square meters of floor space. It has been suggested that durable types of plaster be used as a substitute for wood throughout the dwellings, except for windows, doors, and floors. Plants for manufacturing the plaster are being established.

Electrical Machinery and Equipment

Post-War Plans for Producing Electrical Equipment, Brazil

Notable progress has been made in the manufacture of electrical equipment in Brazil. Plans are under way to erect a large plant in the Sao Paulo area in the immediate post-war period. An increase is also expected after the war in the output of bulbs, wire, fuses, switches, transformers, irons, welding equipment, some types of electric motors, lighting fixtures, radio parts, conduit pipe, insulated cables, vacuum cleaners, heaters, airplane and automotive parts, and dry-cell batteries.

Power Shortage in Sao Paulo, Brazil

Continued power shortages in the State of Soa Paulo, Brazil, have resulted in the issuance of a decree rationing electricity in the northern section from June to September. Current is curtailed on farms and rural properties, and cotton- and coffee-processing plants are restricted for 3 hours per day. Restrictions also have been placed on other industrial consumers. There is little prospect of remedying the situation until the close of the war.

Electrification System in France

A power station which will operate by the ebb and flow of the tide is planned for Granville, France, located on the Atlantic coast. The cost will approximate between 20,000,000 and 30,000,000 francs, according to a foreign-trade publication.

The rural-electrification system of France has now been extended to 36,900 of the 38,000 country districts.

New Type of Artificial Leg Invented in Sweden

An engineer in Stockholm, Sweden, has invented a new type of artificial leg, made of a light metal and equipped with knee, ankle, and toe joints. According to reports, it has been favorably received by physicians and invalids.

Action of the knee joint of this leg, partly horizontal and partly an axial movement, is constructed in such a way as to keep the knee locked when in a straight position. The invalid apparently is able to rest on the leg without risk of having it buckle. The lock is released at the same time that the weight of the body is carried forward when the person takes a step with his sound leg and foot. As soon as the artificial leg is carried forward, the knee joint becomes locked again.

The ankle joint is equipped with a spiral spring made of special Swedish steel. It is said to be flexible in all positions, making a sidewise movement of the foot possible. The foot itself is made of "elektron", a very light and strong metal.

It is reported that the inventor has made an agreement with a Stockholm company for the exploitation of the product. The company already has applied for patents in foreign countries.

Installations in New Zealand

New hydroelectric installations in New Zealand during the year ended March 31, 1943, raised the capacity of the main plant from 340,755 to 364,245 kilowatts. However, stand-by plants decreased 3,314 kilowatts. The number of consumers increased by 5,741 to a toal of 460,771, and the units sold per customer and per capita totaled 3,254 and 1,038, respectively.

Electric ranges installed during this period totaled 124,569; water heaters, 145,476; and milking machines, 30,826.

Restoration of Electrical Plants, U. S. S. R.

The Kharkov electromechanical plant in the Soviet Union was restored during the first quarter of 1944, and by the first of April two carloads of motors and electrical apparatus had been shipped to the Donets Basin.

The turbine plant in Sverdlovsk almost doubled its capacity to cope with the demands arising from the restoration of the power stations in the Donets Basin. All equipment for the expansion of the plant was manufactured in Sverdlovsk. The total capacity of the restored turbines amounts to 300,000 kilowatts.

Pending completion of the large power plant on the Irtysh River at Kazakhstan, a temporary plant was erected on the opposite bank. The temporary station has a capacity of 50,000 kilowatts and will be dismanteled when the main plant begins operating.

The Salar hydroelectric station put into operation at Tashkent was completed in less than a year by using speed-up methods.

Foodstuffs and Allied Products

Mexican Dehydration Industry

The total capacity for dehydration of foods in Mexico has increased gradually during the past year, but not so rapidly as was expected.

There are now 13 factories producing dehydrated bananas, 11 that were in operation last year and 2 new ones. One of the new factories, located a few miles northeast of Corboda in the State of Veracruz, has a potential capacity of about 20 metric tons of dehydrated products per day. In addition to dehydrating bananas, this factory may prepare any other dehydrated products in demand, such as pineapples, papayas, onions, and sweetpotatoes. The other new plant is small, having a capacity of from 200 to 300 metric tons a year.

With all these factories running full capacity, total production of banana figs may run as high as 9,000 or 10,000 metric tons a year. It is doubtful whether the dehydration of bananas in Mexico will expand further unless a much larger market develops.

The production of dehydrated chili, most of which is done in six small factories in Baja California, is estimated at about 2,000 metric tons a year.

Onions and garlic are dehydrated in one factory, which in 1943 produced about 10 tons of dehydrated onions and 11 of dehydrated garlic.

The only important company dehydrating milk, Productos Nestle (Mexico), S. A., has a plant in operation at Ocatlan, Jalisco, and a new one at Lagos, Jalisco, which was expected to be ready for operation by the middle of July 1944. The old plant has a capacity of about 2,140 metric tons of condensed milk, 1,280 tons of evaporated milk, and 255 tons of powdered milk; the new one is expected to have a capacity of between 40 and 50 percent of the factory at Ocatlan.

The only other product being dehydrated to any extent in Mexico is pineapple. A factory at Fortin, Veracruz, probably will produce about 100 metric tons of dehydrated pineapple this year.

Apparently buyers in the United States are enthusiastic about this product, and no difficulty is anticipated in marketing it. Other dehydration companies are said to be considering the dehydration of pineapple.

A few buyers have expressed interest in dehydrated papaya, and small amounts of this product may be produced. The above-mentioned factory at Fortin, Veracruz, may produce as much as 4 or 5 metric tons per month.

The dehydration of other products such as mongoes, sweetpotatoes, apples, tomatoes, carrots, and spinach has not gone beyond the experimental state as yet.

Coffee and Cocoa

Coffee Crop and Stocks, Brazil

Estimates by members of the coffee trade in Santos, Brazil, of the 1944–45 coffee crop vary from 4,000,000 to 7,000,000 bags. The crop in the State of Sao Paulo has been estimated at 5,000,000 bags; the State of Parana, 800,000 to 1,000,000 bags; and other States shipping coffee to Santos, 1,000,000 bags.

Stocks of coffee at the port of Santos on May 31, 1944, amounted to 3,820,281 bags of 60 kilograms each, as compared with 1,727,539 bags on the corresponding date in 1943 and 3,613,629 bags on April 30, 1944.

Venezuelan Exports of Cocoa

Exports of cocoa from Venezuela during April and May 1944, were substantial, although considerably below the amount shipped in the corresponding months of last year.

Dairy Products

Butter and Cheese Output and Stocks, Union of South Africa

Creameries in the Union of South Africa produced 4,981,525 pounds of creamery butter and 215 pounds of remade farm butter, or a total of 4,981,740 pounds in March 1944, compared with 5,167,048 pounds in the preceding month.

Butter stocks in creameries at the end of March amounted to 2,802,759 pounds of creamery butter and 250 pounds of farm butter. Stocks in cold storage totaled 3,098,969 pounds of creamery butter, 42,448 pounds of farm butter, and 1,291,674 pounds of butter from neighboring territories. Total butter stocks were 7,236,100 pounds.

Cheese manufactured in South African factories in March 1944, with February figures in parentheses, amounted to 1,451,684 pounds (1,559,933), of which 1,099,547 pounds (1,192,069) was Cheddar; 330,029 pounds (347,562), Gouda, and 22,108 pounds (20,303), other types. The production of process cheese during this period amounted to 158,524 pounds (134,129).

Total cheese stocks at the end of March 1944 amounting to 3,109,715 pounds, were distributed as follows:

[In pounds]

Kind	In factories	In cold storage
Cheddar	2,423,814	289,217
Gouda	243,551	38,948
Process	83,778	11,243
Other	17,169	1,995
Total	2,768,312	341,403

Cuban Dairy Situation

Plentiful rainfall in Cuba during June improved the pasture situation, and this

was reflected in increased milk production. Indications late in the month, however, were that the volume of production in coming months would be 5 to 10 percent lower than during the corresponding months last year, and probably 25 percent below the production of 1941 and 1942. Cattle were in poor condition as a result of the drought early in 1944, and economic factors tended to divert labor away from dairy work.

Condensed milk is the most important milk in the Cuban diet, followed by fresh milk, cheese, and butter. Demand is fairly stable for condensed and fresh milk, but at present an abnormal demand for cheese and butter exists. During July and August production was expected to equal current demand for condensed and fresh milk, but to fall short of requirements for cheese and butter.

The output of condensed milk in June was expected to be 50,000 to 60,000 cases, which would be about 35 percent greater than in May. Current demand is for about 72,000 cases per month, excluding the requirement for restoring low commercial stocks. Indications were that July production would be sufficient to meet demands. During the fall months there probably will be a surplus over current demands, but the manufacturers report that such surplus will be insufficient for the next dry season and that Cuba will remain on an import basis for at least another year.

Production of dry powdered milk (roller-process skim) appeared larger in June than in recent preceding months, and the total for that month may have reached 25,000 pounds. Demand is large and production is favored over other dairy products by the absence of ceiling prices. Wholesale prices are 20 to 25 cents per pound. Principal utilization is by bakers and ice-cream manufacturers.

June manufacture of butter probably did not exceed 275,000 pounds, which is about 75,000 pounds less than the current demand. Butter substitutes made of hydrogenated peanut oil are being used extensively in Habana, particularly in restaurants.

Cheese stocks were low. Ceiling prices favored cheese production above butter and condensed milk, however, and the report was that the supply situation might improve. Principal commercial types of cheese in Cuba are Patagras (Gouda), Gruyere, cream, and native white cheese of home manufacture.

Milk producers during June received from 5 to 6 cents per liter (liter=1.0567 quarts) for milk for manufacturing purposes, about 6 cents per liter for fresh fluid milk in small towns, and 8 cents per liter for fresh fluid milk at Habana.

Production of milk and dairy products in Cuba was expected to reach the level of consumption by late July, thus alleviating the shortages which still existed in late June.

Prospects are slight that production of milk will be adequate to provide large reserve stocks of dairy products this year and so prevent another dry-season shortage in early 1945. Demand for dairy products is growing as a result of large purchasing power, but production tends to decrease because of unfavorable weather and increased alternative opportunities for labor employed in dairying.

Fish and Products

Newfoundland's Cod Industry

Newfoundland's estimated catch of cod in 1943 was 899,000 quintals, compared with 793,000 quintals in 1942, according to the foreign press (1 quintal =220.46 pounds). Shipments of dried cod in 1942 were 648,000 quintals, of which 436,000 went to the Iberian Peninsula and the rest to the West Indies.

The exporting of fresh and frozen cod to the United States, Canada, and the United Kingdom is comparatively recent. In 1943 exports were about 90,000 quintals, compared with 58,000 quintals in 1942 and even smaller amounts in preceding years.

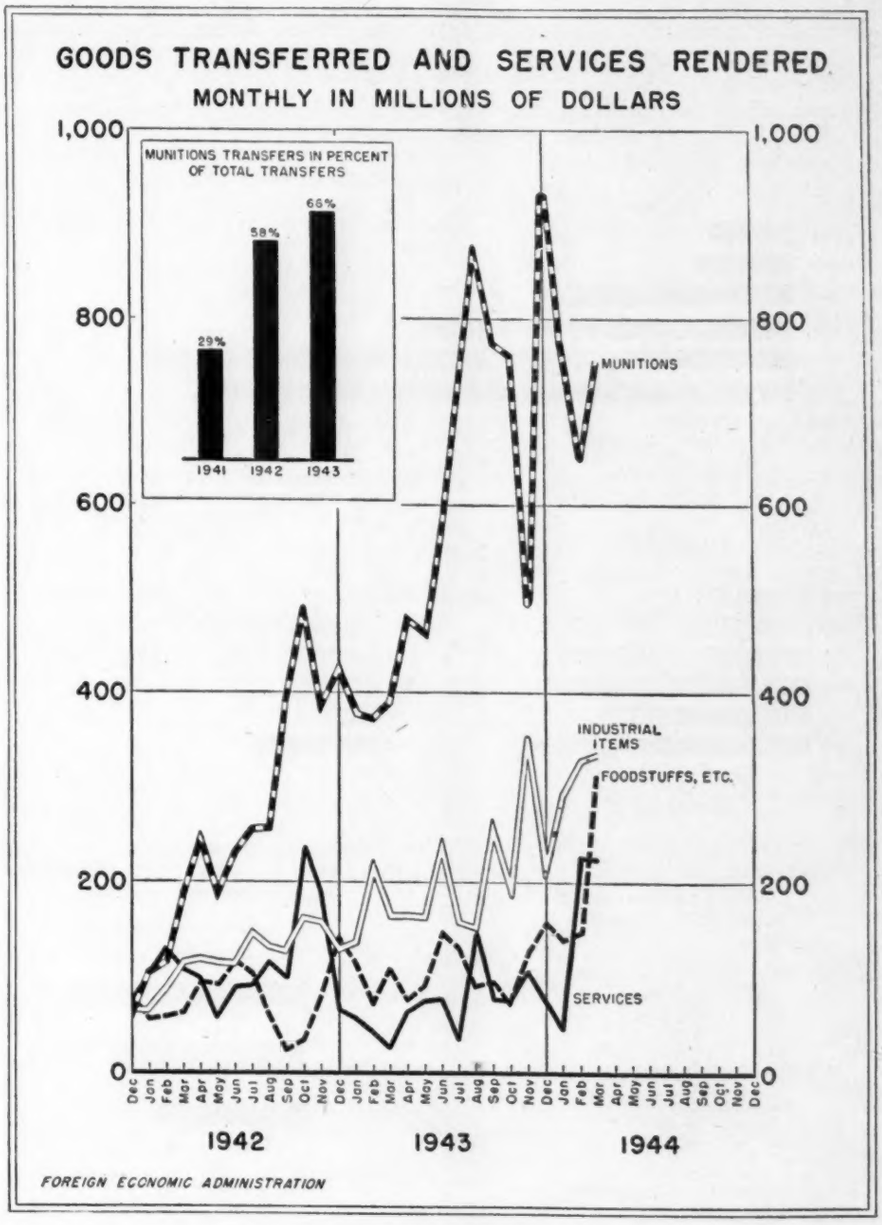
Fruits and Vegetables

Canadain Fruit Situation

Prospects for the 1944 Canadian fruit crop were reported promising. There was no widespread damage or serious spring freeze such as occurred last year. Trees blossomed early and heavily in most areas, and satisfactory sets of fruit were observed in the early sections.

The latest estimate of 1943 production places the Dominion apple crop at approximately 12,900,000 bushels, almost the same as in 1942, although 11.5 percent below the 1935–39 average.

Peach production at 631,000 bushels was only 31.5 percent of the preceding year and apricot only 28.6 percent. Pear production of 620,000 bushels was fair. The production of cherries was reduced by a poor yield in Ontario. The 1943 strawberry crop of about 16,000,000



quarts was slightly lower than in 1942 and far below 1941.

The following table shows Canadian fruit-production figures for the years 1941 and 1942, inclusive, and preliminary figures for 1943:

Kind	1941	1942	1943 [1]
Apples.....1,000 bu	10,725	12,982	12,885
Pears.....do	732	753	620
Plums and prunes.....do	536	377	351
Peaches.....do	1,579	2,003	631
Apricots.....do	76	98	28
Cherries.....do	347	364	211
Strawberries.....1,000 qts	24,053	17,779	16,277
Raspberries.....do	8,210	9,331	10,146
Grapes.....1,000 lbs	47,151	74,913	54,042
Loganberries.....do	1,583	1,534	1,562

[1] Preliminary figures.

Despite light crops of some fruits in 1943, domestic production plus imports of domestic types and citrus fruit provided a somewhat larger total fruit supply than for 1942.

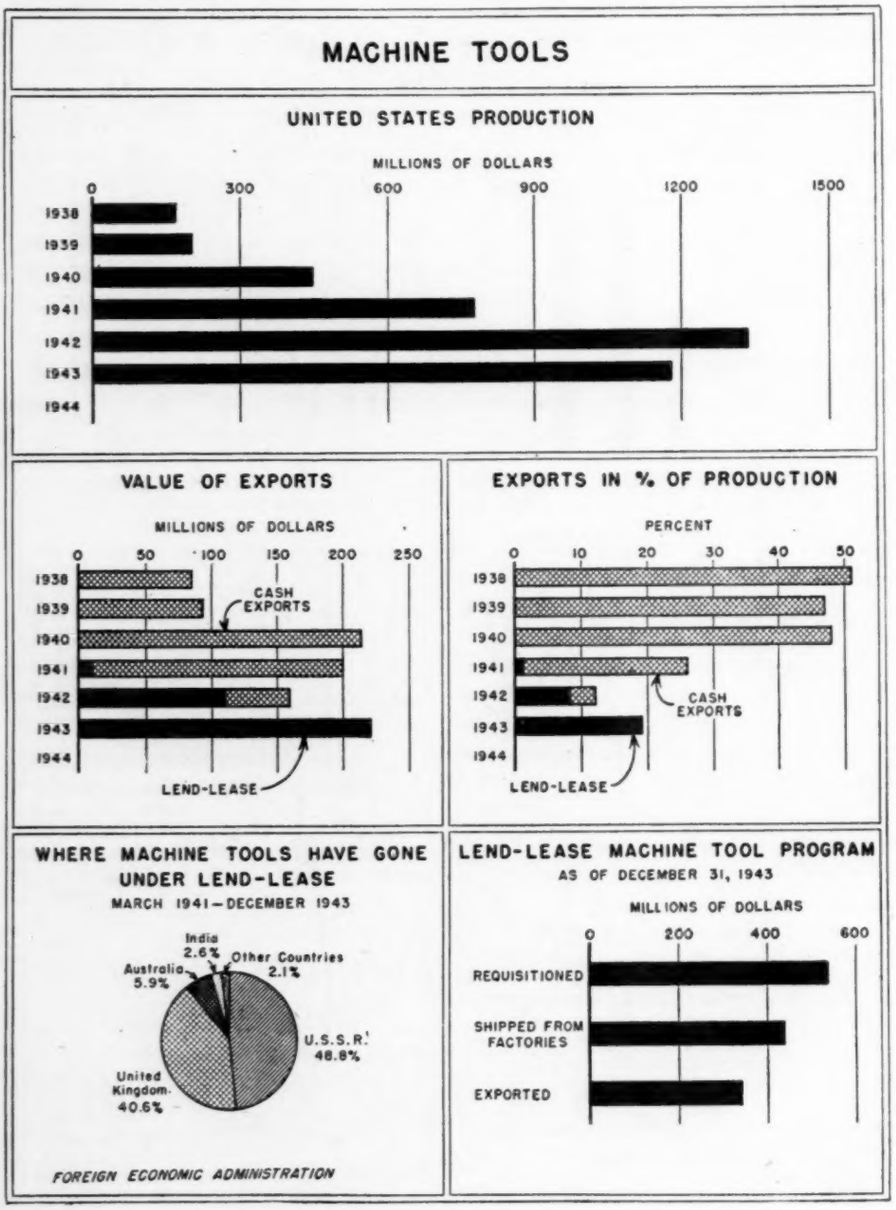
The processing goal for apples in 1943–44 was 2,900,000 bushels, well below the 4,100,000 bushels processed in 1942–43. As in the preceding year, the greater part of the processed apples were dehydrated since the canning of apples has been reduced greatly since 1941. About 8,800,000 or 8,900,000 bushels of fresh apples were available for domestic consumption in 1943–44, compared with 8,200,000 bushels in 1942–43. This figure is far above Canada's normal consumption. In the past year fewer dehydrated apples were available for the Canadian consumer than in 1942–43, and canned apple products were extremely limited.

Practically the entire 1943 Canadian production of other fruits plus sizable imports of peaches, apricots, pears, plums, and prunes were consumed domestically. The commercial pack of fruits amounted to 70,400,000 pounds, slightly more than in 1942 but low when compared with a pack of 123,000,000 pounds in 1939 and 120,000,000 pounds in 1940. The volume of processing was limited by the acute shortage of certain fruits last year, such as peaches and apricots, as well as a keen consumer demand for fresh fruit.

Supplies of Canadian apples in cold and common storage, including storage by commercial growers, have been somewhat lower throughout the past winter and spring season than in 1942–43. Stocks of canned fruits held by canners, wholesalers, and chain-store warehouses have been low throughout the past two years.

Canada's exports of apples, fresh and dried, in the year ended March 31, 1944, were equivalent to about 2,500,000 bushels compared with 2,000,000 bushels in the preceding year. Only minor quantities of other fruits, with the exception of blueberries, from the 1943 crop were exported. Exports of fresh blueberries amounted to 13,900,000 pounds and frozen blueberries, 3,300,000 pounds, a total two to three times greater than the normal year's exports.

Higher fruit prices in 1943 more than offset the reduced production in that year as compared with 1942. Estimated value of the 1943 apple crop at shipping point was $16,346,000, 13.6 percent more than the value of the slightly larger 1942 crop. The value of other commercial fruits was $12,672,000, or 30.4 percent more than the value of a much larger crop the year before.



Potato Acreage Increased, New Brunswick, Canada

An over-all increase of 20 percent in the acreage planted in New Brunswick for the 1944 potato crop over that of 1943 has been estimated by the Provincial Department of Agriculture. In the noncommercial areas some farmers report upwards of a 50-percent increase.

The higher percentage of acreage planted is due in part to the dehydration plants in Hartland and Grand Falls taking all potatoes offered at prevailing prices for the 1943 crops, thus stimulating increased acreage planting for the 1944 crop.

The record crop of approximately 17,000,000 bushels of potatoes harvested and successfully marketed in 1943 encourages New Brunswick growers to look forward to an equally successful season this year.

Citrus Fruit Industry, Egypt

Egyptian citrus-fruit production increased in 1943–44 over the preceding season, but was lower than the record crop of 1940–41.

The following table shows the production of citrus fruit by varieties, in Egypt in the years 1940–41 to 1943–44 inclusive:

[In thousands of boxes]

Variety	1940–41	1941–42	1942–43	1943–44
Oranges [1]	6,449	4,348	4,665	5,054
Tangerines [2]	13,110	5,106	6,870	9,208
Limes [1]	8,268	5,678	5,016	6,351
Sweet lemons [1]	130	107	95	103

[1] Average 200 per box.
[2] Average 84 per box.

The increase in production of citrus fruit in the 1943–44 season is reported to be due to a higher yield after two rather poor seasons. Out of some 29,000 acres under citrus-fruit production during the 1942–43 season, 63 percent was estimated to have been planted in orange trees, 25 percent tangerine, and 12 percent lime. The cultivation of sweet lemons was insignificant. The Egyptian Ministry of Agriculture continued to assist citrus-fruit growers by bearing the larger part of the cost of fumigation and by selling seedlings and spraying equipment at cost.

Qaliubia Province is the principal citrus-fruit producing center, followed by Menufia, Sharqia and Gharbia Provinces, all in Lower Egypt.

The bulk of citrus-fruit imports continues to come from Palestine. Cyprus is the only other supplier. During the first 4 months of 1944 imports of oranges reached a comparatively high total of 4,191 metric tons, reflecting the effort made by the Egyptian Government, through the more liberal granting of import licenses, to place larger quantities of Palestinian oranges on the market at a time when the price of the local product had soared to excessive levels.

Exports of citrus fruit from Egypt amounted to 1,952 boxes in 1943, as compared with 1,636 boxes in 1942. The Sudan continued to be the only market.

Winter-Vegetable Market, Mexico

Final figures on winter-vegetable shipments from Mexico in the 1943–44 season show a decrease of about 500 carloads of tomatoes compared with 1942–43, but an increase of about 150 carloads of peas.

Plantings of tomatoes are expected to be larger during 1944–45, according to the vegetable trade in Nogales, but plantings of peas will be materially reduced. Some difficulty is anticipated in obtaining sufficient packing materials during the coming year.

Grain and Products

Cuban Corn Situation

Stocks of corn in Cuba were reported late in June to be barely sufficient for domestic food requirements. Early indications regarding the size of the corn crop, which will be harvested about September, are that Cuba will have very little surplus corn for export this year.

Germany's Plan to Plant Grains and Vegetables in Forest Areas

In Germany, grains and vegetables are to be planted in forest areas completely logged off and also in areas planted to forest seedlings, the Nazi press has announced. This policy is to be followed in the hope of increasing the food supply.

Forest brush rye, a valuable bread grain, is particularly suited to cultivation in forests. The best areas are recently logged-off tracts up to an elevation of about 2,275 feet. After the logs and waste have been removed, the area is sown to oats and then to forest rye. The ground is not plowed, but is prepared with rakes. Oats give a better crop in the forest than in the fields, and as the forest rye does not bear until the second year one sowing yields two crops.

Vegetables also can be raised on land where young forest plants are beginning to grow. In the first year "foundation" plants are sown; in the second, cabbage, red beets, turnips, and celery. Bush beans and onions can be grown in light soils.

Latin-American Balsa: U. S. Restrictions on Use Now Relaxed

Restrictions on the use of balsa lumber were relaxed several days ago by the War Production Board because of the decline in military requirements. This relaxation, WPB says, will release for civilian use balsa not needed for military purposes.

Order M–177, as amended and as effective July 15, permits the sale of balsa lumber, including "thins" and "shorts," on purchase orders rated AA–5 or better. No restrictions are placed on the sale of balsa scrap. Formerly, all balsa except scrap was reserved for specified military uses.

During the second half of 1942 and throughout 1943, balsa was one of the most critical species of lumber, because it was used for life rafts, life floats, and aircraft plywood. To meet military requirements, production was expanded to approximately seven times the pre-war volume. Requirements reached a peak of 35,000,000 board feet in 1943 as compared with approximately 5,000,000 board feet per year before the war.

Balsa lumber is imported from the American Tropics, chiefly from Ecuador, with some quantities coming from Guatemala, Costa Rica, and Columbia. None is produced in this country.

Military requirements have been declining since the beginning of 1944, WPB officials say, and there is currently an adequate supply. Curtailment of production, that would normally take place because of decreased demand, would be inadvisable in view of possible unexpected military demand. Moreover, such curtailment might cause economic dislocation in the countries producing balsa, it is noted.

According to officials of the WPB Stockpiling and Shipping Division, a stockpile of balsa will be established in an effort to provide for emergency demands.

In normal times, approximately 65 percent of balsa production is used for model airplanes; 20 percent for toys; and the remainder for scale models, surgical supplies, theater and motion-picture props, hat blocks, and miscellaneous scientific equipment.

Meats and Products

Pork Supply Plentiful in Sweden

Hogs slaughtered in Sweden in April 1944 totaled 120,905 head, more than double the 54,572 slaughtered in April 1943. This is partly ascribed to the decision of the State Food Commission to lower the prices of heavy hogs effective April 24, 1944, which resulted in an increased slaughter during the period between the announcement of the order and the date on which it went into effect. For that reason there was a comparatively ample supply of pork for the meat-rationing program. After fully utilizing available pork-storage facilities, some of the surplus was absorbed by meat canneries and the remainder allocated as extra rations to the consumers.

Sugars and Products

Sugar Production Down, Trinidad, B. W. I.

Only one or two of the sugar mills in Barbados, Trinidad, British West Indies, were in operation by May 31, and it was believed that they would terminate operations shortly as the cane-cutting season gradually ended.

The 1944 sugar crop is estimated at 119,000 short tons, compared with about 149,000 tons last year.

Peruvian Sugar Situation

Although the Peruvian sugar trade continued to be characterized by active foreign demand at favorable prices, the market outlook was not regarded as wholly promising because of the prevalence of such adverse factors as acute labor shortages and scarcity of suitable fertilizers.

Sugar output in April 1944 is unofficially estimated at 22,000 short tons and the cumulative total for the first 4 months of 1944 as 88,000 tons. The total output for this year has been tentatively calculated at approximately 430,000 short tons, compared with 411,000 in 1943 and 496,000 in 1942.

Sugar consumption in Peru in April 1944 is placed by the National Agrarian Society at 12,244 short tons, compared with 13,374 tons in the corresponding month last year and 11,270 in March 1944. During the first 4 months of 1944 sugar consumption totaled 50,858 tons, a 7 percent increase compared with 47,672 tons in the corresponding period of 1943 and 14 percent over the 44,499 tons consumed in the January–April period of 1942.

Apparent stocks of sugar in Peru as of June 1, 1944, were about 14,000 short tons. There were no unsold stock.

Sugar Production Increasing, U. S. S. R.

Sugar production in Kursk Province, Soviet Russia, is estimated at 108,000 short tons, according to the Moscow press. Five factories have been restored ahead of schedule, and five more will be in operation this year.

In the liberated southern regions, where two-thirds of the sugar factories were destroyed, reconstruction is also in

progress. Although 150 factories will be producing in the Soviet Union this season compared with 28 factories last year and the area planted in sugar beets is more than double that of last year, the sugar output will be far below pre-war levels.

Venezuela Exporting Candy

Exports of chocolate candy to the United States from Venezuela have been made in substantial quantities since January 1944, despite the fact that Venezuela had formerly been an importer of such candy. The candy is manufactured by a Caracas firm known as the Compañía Anónima Savoy Candy.

Furs

Increase in Fur Farming, Hungary

Fur farms and breeding stations have increased in Hungary, according to the Axis press. Four new breeding stations, particularly raising raccoons, silver foxes, and minks, were established in Transylvania last year.

Glass and Products

Output of Glass Factory, Armenia

A glass factory under construction in Armenia will have an annual capacity of 5,000,000 bottles, according to the Soviet press.

Resumption of Activity in Cuban Factory

Production of bottles began in May in a Cuban bottle factory that was idle for a number of years.

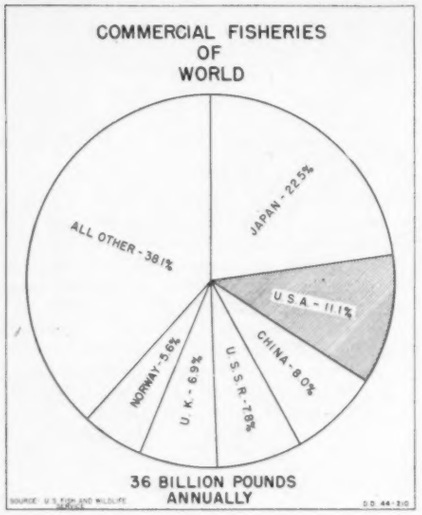
Sweden's Window-Glass Industry

Sweden's largest window-glass factory, operation of which is dependent on gas from the company's coke plant, was forced to close on May 12 when the coke plant closed, because of reduced deliveries of Westphalian coal. As a result, production in 1944 will fall below the 300,000 cases produced in 1943. Although stocks held by wholesalers were reported to be fairly large, all window glass and certain mirror glass were placed under government control on May 14.

Construction of a new glass factory designed to use domestic fuel has been delayed because necessary fireproof blocks have not been delivered from southern Germany.

Imports Into Union of South Africa

Imports into the Union of South Africa of plate and plain sheet glass, glassware, bottles and jars, chinaware and porcelain ware, earthenware and stoneware, and building tiles (chiefly from the United Kingdom) have been reduced because of restrictions in shipping space. In the last 2 years substantial amounts of crockery and glassware have been furnished by Brazil and Argentina. The domestic glass-making and crockery industries are being developed.



Iron and Steel

Increase in Production, U. S. S. R.

Pig-iron production in Soviet Russia in the first quarter of 1944 was 34 percent higher than in the corresponding period of 1943, and steel output showed a 38 percent increase. Other increases reported by the Soviet press from preliminary data included 36 percent in rolled metal, 39 percent in coke, and 17 percent in ore.

The steel plant under construction near Chelyabinsk will be one of the world's largest plants manufacturing special steels. High-grade iron ore from the nearby Bakal deposits makes possible the highest grade of acid open-hearth steel, the world output of which is small because of the scarcity of this type of ore. In addition to coke and blast-furnace departments under construction, an open-hearth furnace department will contain large furnaces, a heat-treatment department, new rolling mills, and water and transport systems. Lignite is available from nearby deposits in sufficient quantities to produce as much power as may be needed.

Leather and Related Products

Leather and Manufactures

Progress of Brazilian Industry

The manufacture of leather and leather goods, one of Brazil's oldest industries, has shown amazing progress during the last few years, the value of output having increased from $13,310,000 in 1938 to approximately $20,000,000 in 1943.

More than 10,000 persons are employed by this industry in the principal leather-producing States of Sao Paulo, Rio Grande do Sul, Minas Gerais, and the Federal District.

Brazilian manufacturers produce shoe leathers, industrial belting, saddles, bridles, bags, suitcases, belts, whips, pocketbooks, and special high-grade leathers for vehicle and household upholstery.

Lumber and Products

Ecuador's Balsa-Wood Exports

Balsa-wood exports from Ecuador were on a heavy scale during May. Shipments for the first 4 months of this year show a substantial increase as compared with the corresponding months of 1943.

New Zealand's Lumber Exports

Exports of rimu from New Zealand in 1943 amounted to 2,260,986 board feet, valued at £NZ25,499, a tremendous decline from the 1942 figure of 5,483,912 feet, with a value of £NZ61,579.

Shipments of insignis pine for case-making decreased only slightly; exports in 1943 totaled 730,761 board feet, with a value of £NZ14,639, compared with 783,646 feet, valued at £NZ16,306, in 1942.

Medicinals and Crude Drugs

Cinchona-Bark Production, Ecuador

Ecuadoran production and exportation of cinchona bark during April declined rapidly, compared with preceding months, largely as a result of heavy rainfall. However, summer weather should increase the yield. In the first quarter of 1944, exports of cinchona bark from Ecuador were very much greater than during the corresponding period in 1943.

Motion Pictures and Equipment

New Theaters Opened in Czechoslovakia

In 1943, 24 new motion-picture theaters were opened in "Slovakia," says a report of the Slovak film company, "Nastup," published in the foreign press. There are now 272 theaters in the country.

Feature films imported during 1943 totaled 120, of which 82 were from Germany. Nastup produced 8 documentaries during the year, and 156 were imported, 104 being of German origin.

Naval Stores and Waxes

Wax Obtained From Sugarcane, Australia

A factory for the production of cane wax went into operation some months ago at Nambour, Australia, according to the Commonwealth press. Technical difficulties encountered at first have been overcome, and progress was reported in May to be satisfactory.

In processing sugarcane, the wax, which occurs on the rind, finds its way into the juice of the cane. Along with other insoluble materials, it is separated in the filter press cake. When it comes from the press, the cake contains about 60 percent water and only a small percentage of wax. After being dried, the cake is treated with a solvent. After the solvent has evaporated, the wax is left as a solid. The solvent is recovered to be used again and the wax is ready to be refined.

Cane wax has fertilizer value and may be spread with ordinary liming or fertilizer machines. It is expected that other commercial uses of the wax will be developed when the product can be offered for sale on the open market. So far, supplies have been disposed of through agencies of the Government.

Rosin and Turpentine Production, India

Rosin production in India for the first quarter of 1944 amounted to 1,887 long tons; stocks on hand March 31 totaled 2,580 tons. Production declined, but stocks showed an increase, compared with the preceding 3 months.

Turpentine output during the same quarter was 415 long tons, and stocks on hand March 31 amounted to 704 tons. Production decreased somewhat, but stocks were larger, compared with the last quarter of 1943.

Nonferrous Metals

Gold and Silver Output, Colombia

Gold and silver production in the Department of Antioquia, Colombia, in May 1944, valued at $1,364,130, was the highest output in many months. Gold production amounted to 1,224,556 grams, compared with 812,754 grams in May 1943, and silver output was 381,027 grams.

India's Mica Exports

Exports of mica from India in 1943 had a value of 23,497,000 rupees, compared with 20,786,000 rupees, in 1942, the foreign press reports.

Production of Lead and Zinc Ores, Peru

Lead and zinc ores shipped from the Volcan mine in Peru to the Mahr concentrator of Cerro de Pasco were expected to expand to 300 tons daily by July, says an April–May report.

Mining Activities in U. S. S. R.

A deposit of tungsten has been discovered at Langyar, Samarkand Oblast of Uzbekistan, U. S. S. R. Construction of a mine is reported by the Soviet press to be well under way, and there is to be a large concentration plant nearby. There are other outcroppings of tungsten near Langyar where the Koitash mine is being sunk and mined simultaneously. Tungsten is found also in a scheelite formation near the city of Leninabad, site of the Chorukh Dairon tungsten mine, where there are two concentration plants treating scheelite ore preparatory to shipment to plants producing hard alloys.

New deposits of tungsten, mercury, and molybdenum are being prospected in the Svanetiya, Verkhnyaya Racha, and southern slopes of the Caucasian Ridge. Prospecting for copper and pyrrhotite deposits is being carried on in Kakhetiya.

Predictions are that the output of copper in Bashkiria in 1944 will be three and one-half times the amount produced in 1943, as a result of the completion of the copper refinery built in the vicinity of a newly discovered copper bed. The Republic regularly exceeds its quota in output of gold.

Nonmetallic Minerals

Canadian Production

An official report of nonmetallic minerals produced in Canada in the first quarter of 1944 shows 133,000 tons of gypsum, 6,915 tons of feldspar, 76,205 tons of salt, 651,000 barrels of cement, 228,901 tons of lime, and clay products valued at $1,065,000.

Mexico's Cement Output

Daily output of cement in Mexico will reach 1,500 tons when the 1944 plan for increased production facilities is completed, says the Mexican press. New plants are planned for different sections of the country so that local needs may be filled with a minimum dependence on transportation facilities.

Asbestos Developments in Newfoundland

Cross fiber asbestos has been located in the Lewis Brook area of Newfoundland. Some diamond drilling is planned this year to determine the extent of the deposits, the Canadian press stated.

Search for Deposits of Iceland Spar, Peru

The search continues in Peru for usable deposits of Iceland spar suitable for optical use, but deposits so far examined have not been of acceptable quality.

Gypsum Production and Use, U. S. S. R.

The Soviet press reports the completion of the first of two sections of a plant at Kuibyshev, U. S. S. R., for the mechanized production of high-durability gypsum. Comparable in durability to high-grade cement, the water-treated gypsum is reported to be suitable for many types of construction, and gypsum cement veneer may replace ferroconcrete and wooden coverings. In building foundations it hardens faster than cement concrete, permitting the use of heavy machine tools 1 hour after the foundation has been poured.

In addition, the new plant will produce blocks, partitions, beams, tiles, and crosspieces, to be used this year in the construction of dweling units.

You Can't Have "Petunia"!

The British Color Council has disclaimed any knowledge of the names Lilac, Tomato, Lettuce, Strawberry, Petunia, and Melon, which have been quoted in connection with women's hose. A notice states that the hosiery trade sponsors four colors only—Vogue, Mist-beige, Newmarket, and Leap Year.

If the ladies can't have Strawberry or Petunia, they may concentrate on Leap Year.

Oils and Oilseeds

Brazil's Exports of Castor-Seed and Castor Oil

Brazil's castor-seed exports in 1943 amounted to 155,685 metric tons, compared with 116,169 tons in 1942, the foreign press reports. Castor-oil exports totaled 12,629 tons in 1943.

Purchase of Canadian Sunflower Seed and Rapeseed

The Canadian Wheat Board has been authorized to buy all sunflower seed and rapeseed of the 1944 crop offered to it by producers. The price for high-grade sunflower seed will be 5 cents per pound, delivered f. o. b. at shiping points to be designated by the Board, and that for clean, dry rapeseed, 6 cents per pound. Discounts will be established for sunflower seed and rapeseed not meeting the specified standard of quality.

Use of Palm Oils, Union of South Africa

Palm oil and palm-kernel oil from the Belgian Congo are being received in increasing quantities by the Union of South Africa for use in soap factories.

Venezuela's Vegetable-Oil Situation

The shortage of raw materials for the manufacture of vegetable oils and fats in Venezuela has been somewhat relieved by the recent importation of an appreciable supply of peanuts from Argentina.

Petroleum and Products

Gasoline Rationing in Argentina

Gasoline rations for private cars in Argentina have suffered a further cut, the quarterly allotment being decreased from 35 to 31 imperial gallons, states the foreign press. Gasoline for trucks and heavy vehicles is said to be colored blue and that for private cars yellow, in order to prevent or detect the sale of truck gasoline to private car owners.

Increased Petroleum Production, Colombia

Production of crude petroleum in Colombia for the first 2 months of 1944 amounted to 2,978,000 barrels, compared with 543,000 barrels in the corresponding period of 1943, when lack of shipping facilities precluded the possibility of greater output, says the foreign press.

Meters Flown to Mexico Keep Wheels Turning

Two electrical flow meters, vital to the operation of generators serving the munitions, smelting, and other war industries of Mexico, rushed to Mexico City by airplane, prevented a slowing of the 24-hour-a-day industries of Central Mexico.

The meters, brought to Los Angeles by Clipper by Teodoro Albarran Pliego, engineer in charge of the Federal Electricity Commission, were repaired there, and then subsequently installed in the Ixtapantongo Electrical Plant.

Albarran, a prominent electrical engineer in Mexico, heads a program to increase his country's industry through construction of electrical plants. He praised the air line for speeding the vital parts to Los Angeles and back to Mexico.

"We are very much impressed with the speed and care with which these unwieldy machines were taken to Los Angeles and back," he said.

Describing the Ixtapantongo plant, Albarran said it will be the largest in Mexico, built by the Mexican Government with funds raised through a 10 percent tax on use of electricity.

"The United States Government gave priority for purchase from American manufacturers, which demonstrates the importance, to the Allies, of Mexico's industries, as well as its extensive raw materials," he said.

"Mexico can become more self-sufficient through purchase of machinery, since we have abundant iron, copper, manganese, and other mineral resources, as well as wood, cotton, and leather."

Construction of Pumping Stations, Mexico

Petroleos Mexicanos is planning the construction of several booster pumping stations at Poza Rica, Mexico, the foreign press states.

New Petroleum Company to Operate in (Scotland) U. K.

A new Scottish company, Associated Agricultural Oils, Ltd., has been formed to carry on business as manufacturers, dealers, importers, and exporters of petroleum products, says the British press. The nominal capital is £15,000 in £1 shares.

Increased Petroleum Production, Venezuela

Production of petroleum in Venezuela has continued to rise, with average daily output in May nearly 50,000 barrels higher than in April and nearly 170,000 barrels more than average daily production for the entire year of 1943.

One of the major companies operating there has discovered a large oil pool of undetermined extent through deeper drillings in already exploited sections of the Jusepin field in eastern Venezuela. This pool promises to accelerate the rate of increase during the second half of the year.

Drilling supplies and equipment are being imported in considerable quantities, indicating that further activity is being planned.

Rubber and Products

Rubber Receipts and Exports, Ecuador

Rubber receipts at Ecuadoran ports reportedly showed an increase during May, as compared with preceding months of the current year. According to official figures, however, exports for the first 4 months of the year were less than in the corresponding period of the preceding year.

Peruvian Imports of Rubber Tires and Tubes

Peruvian imports of rubber tires in 1943 were valued at 11,417,802 soles ($1,756,585 United States currency), as against 2,651,648 soles ($407,946) in 1942. Imports of solid rubber tires in 1943 continued under the customary low levels. No tractor tires were received.

Rubber innner tubes imported during 1943 were valued at 1,203,618 soles ($185,172) which represented almost a threefold gain over the preceding year's imports valued at 316,618 soles ($48,710).

Shipbuilding

Barge Construction in Peru

A contract for the construction of eight barges for use on the Amazon River and its tributaries has been awarded to a shipyard at Pucallpa, Peru. The yard recently completed an 80-ton barge to handle petroleum shipments from the Ganzo Azul fields to Iquitos.

Soaps and Toiletries

Brazil's Manufacture of Perfumes and Toiletries

Perfumes and toilet articles are now manufactured to such an extent in Brazil that the nation is considered 90 percent self-sufficient in these lines.

Soap Consumption Reduced, Sweden

Annual consumption of soft soap in Sweden has been reduced to about 15,000 metric tons from 34,000 metric tons in pre-war days, reports the foreign press.

Special Products

Brazilian Production of Machine Tools

Brazilian production of machinery jumped in value from $16,720,000 in 1938 to approximately $25,000,000 in 1943. It is reported that high prices account, at least in part, for this tremendous rise.

Most spectacular in achievement has been the growth in complexity of machine tools which factories in Brazil are now capable of manufacturing. Some of the numerous types of metal-working machinery turned out are lathes, pressing and stamping machines, forging presses, gear cutters, welding equipment, and milling, drilling, and grinding machines, as well as various types of special equipment for industries. The value of machine tool and metal-working equipment production has been roughly estimated at $4,000,000 annually.

Imports of Brooms and Brushes, Trinidad B. W. I.

The quantity of household brooms and brushes imported by Trinidad, B. W. I., in 1942 was considerably below that of 1941, the foreign press states. Imports in 1942 amounted to 4,907 dozen, compared with 17,184 in the preceding year.

Imports of toilet brooms and brushes declined also, totaling 25,278 dozen in 1942 as compared with 28,446 dozen in 1941.

Chile's Demand for Tools and Sewing Machines

The demand for textile machinery in Chile is greater than the supply—particularly for industrial sewing machines of the invisible-stitch type. Much of the demand comes from existing companies which need more machinery to increase production. Spare parts and accessory requirements are being met.

Expansion of Chile's heavy industries has created an increased demand for machine tools. Also mechanic's hand tools find a ready market.

Sweden's New-Type Heating Furnace

A new-type central heating furnace which may be operated on either wood or coke has been invented in Sweden. Most of the rural population of Sweden use firewood for heating purposes, but until recently no furnace had been built which would not require refueling during the day. The firebox takes sufficient wood to keep the furnace burning for 8 hours without refueling and enough coke to burn for 2 or even 3 days. Insulating bricks lining the furnace are said to give out heat even after the fire dies out. The new furnaces are costly, but, it is stated, the difference in cost should easily be made up in the saving of fuel.

Manufacture of Perambulators, Union of South Africa

Two standard types of perambulators are to be manufactured in the Union of South Africa, the British press reported in June. One will be a collapsible type; the other, a push chair. Present plans call for the production of 10,000 of the former and 15,000 of the latter.

Machine-Tool Manufacture, U. S. S. R.

Machine-tool plants in the Soviet Union are making a careful survey of new techniques through which production may be stepped-up to meet the imperative demands arising from the industrial restoration program. A well-known machine-tool factory at Moscow is installing a conveyer-belt system for producing many different kinds of lathes. It is thought that this system will more than double production. Just recently this firm completed its ten-thousandth turret lathe of a model known as the "136" type. Under the new system, the labor required in the manufacture of these lathes will be cut more than 30 percent.

Machine-tool plants in Moscow are reported to be establishing their own foundries, since the factories which formerly supplied castings have been unable to meet the demands.

Textiles and Related Products

Manufacture of Fish-Net Cord and Candlewicks, Peru

Fish-net cords and candlewicks have been manufactured in Peru since 1942, when a new company was incorporated with an authorized capital of 100,000 soles.

Output of candlewicks has remained stable, between 32,000 and 33,000 pounds yearly, but 19,440 pounds of fish-net cord were produced in 1943, compared with 11,000 pounds the preceding year.

It is believed that all requirements of candlewicks can be supplied by this plant, but demand for fish-net cord is far above the productive capacity of the plant, and many thousands of pounds are imported each year. The domestic output consists primarily of the smaller-size cross cords, those for the top and bottom cords on the seines being imported.

Domestically produced cords are in strong demand, not only because of insufficient imports, but also because they are sold at lower prices.

The new plant is equipped with 77 twisting machines for fish-net cord, and it is hoped that this number will be increased to 100 before the close of this year. Candlewicks are made on about 20 braiding machines.

Most of the equipment was fashioned from miscellaneous cast-off materials, but it is planned to install modern, efficient machinery as soon as post-war trade conditions permit.

Increased foreign markets for fish products have stimulated the industry, with a resultant higher demand for nets.

Spain's Textile Industry

Retail stores in Spain are well stocked with wool, rayon, and shoes. Spring normally brings a decided upsurge in business, but this year, despite various inducements offered to purchasers in April, very little business was uncovered.

A noteworthy development in Catalonia was the amalgamation of two large textile firms. This is a unique departure from the traditionally individualistic trend in factory ownership in the textile trade.

Cotton and Products

Argentina's Exports and Imports

Argentina exported 200 metric tons of cotton to Uruguay during April. This makes a total of 2,542 tons for the first 4 months of 1944 to all destinations, compared with 1,656 tons shipped in corresponding months of 1943.

During April, Argentina imported 55 cases of cotton cloth from Mexico, says a foreign publication.

Experimental Cotton Plantings in Bolivia

Approximately 100 hectares of cotton were expected to be planted this season near Santa Cruz, Bolivia, on an experimental basis, using Argentine Chaco-type seed. Reports indicate that this crop will be ready for harvesting in August.

Cotton Production and Manufacture, Sao Paulo, Brazil

The current cotton crop of Sao Paulo, Brazil, is unofficially estimated at between 420,000 and 430,000 metric tons. It is said to be of a slightly lower quality than the preceding crop.

From March 1 to May 31, about 611,000 bales of cotton (114,405 tons) were classified, as compared with 467,770 bales (87,603 tons) in the corresponding months of the preceding year.

It has been agreed to adopt British standards for classification of Brazilian cotton yarns, except that they will be adapted to the metric system.

It is reported that in 1943 exports of textiles were valued at 1,292,000,000 cruzeiros, the principal destinations being Argentina, South Africa, Chile, Paraguay, and Uruguay. Some shipments were made to other Latin American countries also.

Manufacturers are being urged to produce cotton goods suitable for all income groups in the country.

Large supplies of cotton linters are used in the production of rayon under the nitro-cellulose process in the Sao Paulo area.

Chilean Consumption of Cotton Piece Goods

Average monthly consumption of cotton piece goods in Chile during 1943 was approximately 5,100,000 square yards, of which imports supplied about 2,000,000 square yards.

In 1940, approximately 9,300,000 square yards were consumed monthly. At that time monthly imports averaged 6,600,000 square yards.

Production and Consumption, Ecuador

Reports from the Province of Manabi, Ecuador's principal cotton-growing area, indicate that the 1944 cotton crop will be below that of 1943. This is attributed to late planting and unfavorable weather.

More cotton is now being consumed within the country, owing to expansion of the domestic textile industry. Because the cotton crop has decreased in recent years, Ecuador's imports of this commodity have mounted steadily.

Haiti's Cotton Exports

Cotton exports from Haiti during the first 8 months of the fiscal year which began on October 1, 1943, were higher than at any time since the 1938–39 year.

Shipments last year were very limited, and much of that crop is being shipped in the current year.

Peruvian Cotton Sales

At the end of April, 128,768 quintals of the Peruvian 1944 cotton crop had been sold, the average price for the Tanguis variety, during April being approximately 116 soles per quintal. Sales of 1943 cotton as of April 30 were 1,080,870 quintals, the April price for Tanguis averaging a little more than 72 soles per quintal.

During April, 693 metric tons of cotton were exported, as compared with 1,312 in the corresponding month of 1943, according to published figures. This brings

the total since January 1, 1944, up to 8,515 tons, made up as follows:

[In metric tons]

Destination	April 1944	January to April 1944	January to April 1943
Argentina		431	510
Bolivia		34	130
Colombia	47	410	496
Costa Rica		102	
Cuba		55	667
Chile	509	1,614	1,506
Ecuador		451	117
Spain		1,015	
United States	123	443	727
Great Britain		3,464	3,725
Guatemala		280	
Panama	14	14	
Sweden		100	
Uruguay		102	92
Total	693	8,515	7,970

Cotton Industry in Southern Rhodesia

Approximately 5,457 acres were planted to cotton this past season by European growers in Southern Rhodesia. Conditions were not favorable, and the yield averaged only 307 pounds of seed cotton per acre.

Cotton-spinning mills operated by the Cotton Research and Industry Board at Gatooma have 17,000 spindles. Plans are now under consideration for a large expansion.

Machinery reportedly has been ordered for the new blanket factory being established at Bulawayo. Output is expected to be around 500,000 blankets and rugs per year. Pre-war imports of blankets were about 1,500,000 annually.

Wool and Products

Argentine Wool Exports

Exports of wool from Argentina amounted to 18,082 bales in April, compared with 27,890 bales in March, and 6,797 bales in April a year ago. From October 1, 1943, to April 30, 1944, foreign shipments aggregated 143,321 bales. In the corresponding period of the preceding season, 91,617 bales were exported. Converted to a grease basis, these totals would be 77,042 and 45,531 metric tons, respectively.

Wool Production and Deliveries, Hungary

Wool growers in Nazi-dominated Hungary have been instructed to deliver their entire yield of pure and cross-breed Merino wool to the "Futura," the Government monopoly. Only small amounts of other wool may be retained for their own use. An an inducement, they have been assured of the availability of certain quantities of wool cloth.

To insure strict compliance, all shearing results must be submitted to village authorities within 8 days after shearing. Wool may be divided only in the presence of the collector, so that the portion retained will not be of a better quality than that delivered to the Government.

Wool Production and Exports, New Zealand

Production of wool in New Zealand for the 1943–44 season was estimated at 325,000,000 pounds. This is a decrease of 15,000,000 pounds from the preceding season.

Flocks this year are thought to comprise 33,520,000 sheep, compared with 33,155,000 in 1943.

Domestic mills purchased 57,067 bales (of 346 pounds) in 1942–43, and the 1943–44 consumption is expected to be about the same.

Exports of wool in the first quarter of 1944 totaled 55,283,114 pounds greasy, 12,036,189 pounds scoured, and 12,597,498 pounds slipe, making a grand total of 79,916,801 pounds. In all of 1943, shipments aggregated 205,040,257 pounds, made up of 152,538,742 pounds greasy, 24,302,195 pounds scoured, and 28,199,320 pounds slipe.

Situation in Spain

Spain's woolen mills have operated far below normal during the past few months. Recently, conditions have improved somewhat, upon receipt of an order from Germany for blankets valued at 40,000,000 pesetas.

Stocks of Blackface Wool in (Scotland) U. K.

During May, consumption of Scotch blackface wool was primarily for military orders.

Stocks of this wool in Scotland were unofficially estimated at from 3,000,000 to 3,500,000 pounds, at the end of May.

Miscellaneous Fibers

Flax Cultivation in Australia

Australian flax growers have a highly efficient organization, says a foreign trade journal.

Through pamphlets or personal contacts, growers are informed of latest developments in methods of cultivation and harvesting. All seed for planting is cleaned and tested for germination and purity, and chemically treated to prevent the spread of plant disease.

Cuban Exports of Henequen Fiber

Exports of henequen fiber from Cuba have become very small. Most of this fiber is now being absorbed by the domestic manufacture of rope, which has mounted in recent months.

Flax Cultivation in New Zealand

The linen-flax area in New Zealand covered 10,000 acres in 1943–44 compared with 20,000 acres in 1941–42. To maintain production in factories, it is reported that the 1944–45 minimum acreage should be aproximately 21,000.

Flax Plantings in U. S. S. R.

A total of 55,144 hectares (about 136,000 acres) in Gorki Oblast, U. S. S. R., were planted in flax during the spring season, say recent press reports from the Soviet Union. Ambitious planting programs have been carried out in many regions of Soviet Russia, including those that have been reoccupied as well as those in the eastern part of the country. Ivanov Oblast is said to have completed its quota for flax planting, and Leningrad Oblast more than fulfilled its plan.

Wearing Apparel

Manufacture in Brazil

During the past 5 years, Brazil's ready-made-products industry has diversified its output and expanded its activities. Production has risen 23 percent in value.

Domestic firms are manufacturing large quantities of clothes, as well as footwear, sheets, towels, napkins, handkerchiefs, neckties, gloves, socks, and stockings.

Restrictions Relaxed on Clothing Manufacture, New Zealand

Clothing restrictions in New Zealand have been relaxed so as to permit manufacture of double-breasted coats (when no vests are included), flaps on pockets, trousers with full cuffs, pleats, and a bottom width not to exceed 22 inches.

Restrictions also have been removed from women's knitted outerwear.

Announcement was made on March 16 that floor coverings and furniture coverings were to be included among items placed under control of the Price Tribunal.

Chinese Engineers' Group Now in U. S.

The Bureau of Foreign and Domestic Commerce calls attention to the fact that the National Resources Commission of the Chinese Government has sent about 30 Chinese engineers—executives and juniors—to the United States, to study our American methods of factory production. Additional personnel from China is expected to join the present group from time to time, the intention being to cover industrial processes and techniques for more than 50 industries which it is hoped to initiate or expand in China after the war.

For the time being, the engineering group has its headquarters at the Foreign Trade Office of the Chinese National Resources Commission at 40 Wall Street, New York City. Mr. L. F. Chen, of the same address, is in charge of the activities of the engineering executives.

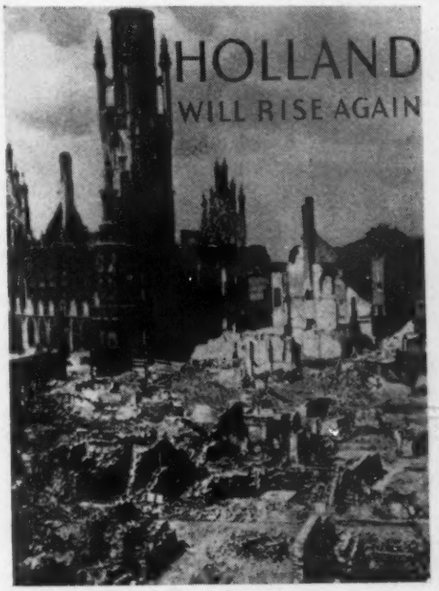
Reports on U. S. Foreign Commerce Available

With the relaxation of security restrictions on the publication of foreign-trade statistics, the Bureau of the Census is preparing to issue a series of reports relating to foreign commerce of the United States. These reports will not include statistics on shipments of military and strategic items, however, against which security restrictions continue in force.

The foreign-trade reports, compiled in the Foreign Trade Division of the Census Bureau, will be distributed on a sales basis to users of foreign-trade statistics. The following list describes the reports to be issued and the prices at which copies will be sold:

PRICE LIST OF FOREIGN TRADE REPORTS

Report No.		*Price*
FT 100	Total imports of individual commodities showing no country detail, available 12 months after the period covered:	
	Calendar year 1942—total for year, individual calendar months not shown separately	$0.50
	First 6 months of 1943—total for 6 months, individual calendar months shown separately	1.25
	Monthly, starting with figures for July 1943:	
	Per issue	.30
	Yearly subscription, including calendar year annual	3.00
FT 400	Total exports of individual commodities showing no country detail, available 12 months after the period covered, exports of foreign and domestic merchandise shown separately:	
	Calendar year 1942—total for year, individual calendar months not shown separately	.50
	First 6 monhts of 1943—total for 6 months, individual calendar months shown separately	1.25
	Monthly, starting with figures for July 1943:	
	Per issue	.30
	Yearly subscription, including calendar year annual	3.00
FT 110	Imports from the Latin American countries in commodity-by-country arrangement showing for each commodity the total imported from all the Latin American countries and the amount imported from each, available 12 months after the period covered:	
	First 6 months of 1943—total for 6 months, individual calendar months not shown separately	.50
	Monthly, starting with figures for July 1943:	
	Per issue	.50
	Yearly subscription, including calendar year annual	3.00
FT 410	Exports to the Latin American countries in commodity-by-country arrangement showing for each commodity the total exported to all the Latin American countries and the amount exported to each, available 12 months after the period covered:	
	First 6 months of 1943—total for 6 months, individual calendar months not shown separately	$1.85
	Monthly, starting with figures for July 1943:	
	Per issue	1.50
	Yearly subscription, including calendar year annual	18.00
	(Prices for parts of FT 410 will be quoted upon request)	
FT 120	Imports from the Latin American countries in country-by-commodity arrangement showing for each country the total value of all imports including strategic, critical and military commodities and the amount of each commodity imported except strategic, critical and military, available 12 months after the period covered:	
	First 6 months of 1943—total for 6 months, individual calendar months not shown separately	.50
	Monthly, starting with figures for July 1943:	
	Per issue	.30
	Yearly subscription, including calendar year annual	3.00
FT 420	Exports to the Latin American countries in country-by-commodity arrangement showing for each country the total value of all exports including strategic, critical and military commodities and the amount of each commodity exported except strategic, critical and military, available 12 months after the period covered.	
	First 6 months of 1943—total for 6 months, individual calendar months not shown separately	1.85
	Monthly, starting with figures for July 1943:	
	Per issue	1.50
	Yearly subscription, including calendar year annual	18.00
	(Prices for parts of FT 420 will be quoted upon request)	
FT 121	Imports from Canada and Mexico in country-by-commodity arrangement showing for each country the total value of all imports including strategic, critical and military commodities and the amount of each commodity imported except strategic, critical and military, available six months after the period covered.	
	Calendar year 1943—total for year, individual calendar months not shown separately	.50
	Monthly, starting with figures for January 1944:	
	Per issue	.30
	Yearly subscription, including 1944 calendar year annual	3.00
FT 421	Exports to Canada and Mexico in country-by-commodity arrangement showing for each country the total value of all exports including strategic, critical, and military commodities and the amount of each commodity exported except strategic, critical and military, available 6 months after the period covered.	
	Calendar year 1943—total for year, individual calendar months not shown separately	$0.60
	Monthly, starting with figures for January 1944:	
	Per issue	.50
	Yearly subscription, including 1944 calendar year annual	5.00
FT 800	Shipments of merchandise from continental United States to Alaska, Virgin Islands, and Puerto Rico, and shipments of merchandise from each to continental United States showing commodity detail, available 12 months after the period covered.	
	Calendar year 1942—total for year, individual calendar months not shown separately	1.00
	First 6 months of 1943—total for 6 months, individual calendar months not shown separately	1.00
	Monthly, starting with figures for July 1943:	
	Per issue	.50
	Yearly subscription, including calendar year annual	5.00
FT 900	Total value of imports from and exports to each of the Latin American Republics including strategic, critical and military commodities, no commodity breakdown shown, available six months after the period covered.	
	Monthly press release, starting with figures for July 1943	No charge



Courtesy Office of War Information

New Books and Reports

★The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin July 16, 1944

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for the price of 10 cents each; subscription price $2.75 a year. The July 16 issue contains these articles:

ECONOMIC COOPERATION, UNITED STATES AND MEXICO.

NEED FOR ALERT PUBLIC OPINION: REMARKS BY THE SECRETARY OF STATE.

PARTICIPATION BY THE UNITED STATES IN THE WORK OF UNRRA.

PETROLEUM QUESTIONS: NEGOTIATIONS TO BE RESUMED BETWEEN THE UNITED STATES AND THE UNITED KINGDOM.

REGULATIONS TO SAFEGUARD INTERESTS OF UNITED STATES AND ITS MERCHANT MARINE. LEND-LEASE AID.

Other Publications

INQUIRY REFERENCE SERVICE. United States Department of Commerce, Bureau of Foreign and Domestic Commerce.

—ECONOMIC SITUATION IN ARGENTINA 1943. 1944. 60 pp.

—ECONOMIC SITUATION IN CUBA 1943. 1944. 21 pp.

—UNITED STATES TRADE WITH DOMINICAN REPUBLIC IN 1942. 1944. 5 pp.

Available gratis from: Bureau of Foreign and Domestic Commerce, Washington 25, D. C.

SUPPLEMENT TO CHANGES IN IMPORT DUTIES SINCE 1930. United States Tariff Commission. July 1, 1944. 16 pp. Contains additional trade-agreement and other changes in the import status of imported merchandise, supplementing the revised edition of "Changes in Import Duties Since 1930," published in February 1943.

Available gratis from: United States Tariff Commission, Washington 25, D. C.

THE FRUIT INDUSTRY OF MEXICO. United States Department of Agriculture, Office of Foreign Agricultural Relations. 1944. 184 pp. Foreign Agriculture Report No. 9. Illus.

Available gratis from: Office of Foreign Agricultural Relations, United States Department of Agriculture, Washington 25, D. C.

THE ORGANISATION OF EMPLOYMENT IN THE TRANSITION FROM WAR TO PEACE. International Labour Office. 1944. 186 pp. Price, $1. Report No. III of the 26th session of the International Labour Conference. Includes among others discussion of the following topics: Demobilization of the armed forces and of war industries, applications for works and for workers, vocational guidance, employment of young workers, disabled workers and women, financial provisions to meet short-term employment.

Available from: International Labour Office, 734 Jackson Place, Washington 6, D. C.

CENTRAL AND COMMERCIAL BANKING PROBLEMS. Institute of International Finance of New York University. 1944. 20 pp. Bulletin No. 132. Analyzes effects of the war on the Federal Reserve Banks and possible changes that may take place in the future; considers commercial-bank developments during and after the war; points out a number of banking problems that will arise in the immediate post-war period.

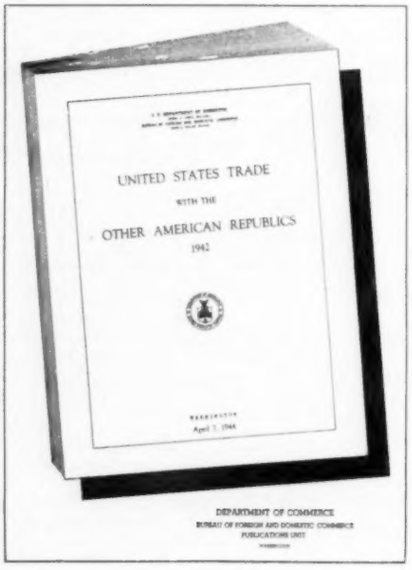
Available from: Institute of International Finance of New York University, 90 Trinity Place, New York 6, N. Y.

CONTEMPORARY INTERNATIONAL POLITICS. Walter R. Sharp and Grayson Kirk. 1944. 2d ed. 894 pp. Price, $4.25. An attempt to explore and examine the fundamental forces deemed responsible for determining foreign policies. Defines these forces as being of two distinct classes—those creating tensions which results in wars, and those which provide a basis for peaceful international cooperation—and in this connection discusses the interlocking factors of geography, population, race, nationalism, technology, economics, and government of the world as a whole.

Available from: Farrar & Rinehart, Inc., 232 Madison avenue, New York 16, N. Y.

MIDDLE AMERICA. Charles Morrow Wilson. 1944. 317 pp. Illus. Price $3.50. A comprehensive discussion of the resources of the 10 Latin American countries comprising "Middle America," and the potential interdependence of this region and the United States on each other for the materials each produces, which has been realized to some extent since the war. Implies that such interdependence can form the basis for lasting economic and cultural relationships among all American nations.

Available from: W. W. Norton & Co., Inc., 70 Fifth avenue, New York 11, N. Y.



Contributors' Column

C. William Cowles ("Synthetic Organic Chemicals in Republic of Panama Today").—Born Toano, Va. Three years in Business Administration at George Washington University. Clerk, Personnel Division, Department of Commerce, 1928–33; Federal Home Loan Bank, 1933–41; Assistant Chief, Fiscal Division, Board of Economic Warfare, 1941–42; appointed vice consul at Panama November 14, 1942.

James G. McCargar ("Dominican Republic in 1943").—Born in San Francisco, Calif. Stanford University 1937–41, A. B. Appointed Foreign Service Officer May 25, 1942. Served at Vladivostok and Moscow. Appointed third secretary and vice consul at Ciudad Trujillo November 25, 1943.

New Division in WSA

The War Shipping Administration announced on July 3 the establishment of the Division of Foreign Charters and Ship Warrants. The Division of Ship Warrants has been abolished and its functions transferred to the new division.

The director of the new Division is responsible for all matters of a fiscal nature relating to the procurement or chartering of vessels by or to Allied or neutral governments, and for fiscal matters formerly delegated to the Division of Large Vessel Procurement and relating to the chartering of privately owned foreign-flag vessels.

The director is also responsible for the administration of the ship warrant system. Under this licensing program, American and foreign-flag vessels, from 50 gross tons up, are required to obtain ship warrants in order to receive priorities and other benefits while operating in trade between United States ports and foreign ports or between United States noncontiguous territories and possessions and the mainland.

The Division maintains close liaison with the British Government, as the United States and British warrant programs are closely coordinated.

Dominican Republic in 1943

(Continued from p. 9)

ment of large amounts of seeds permitted larger plantings and a large harvest, and the continued interest of tobacco purchasers, principally for the Spanish market, resulted in exports of twice the volume of 1942 and at average unit values well above previous years.

The production of corn, yucca starch, and kidney beans responded very well to efforts for their increase, and gains were registered in both the volume and the value of exports of these commodities.

Special attention was paid throughout the year to the production of rice, peanuts, and bananas, since the Government has strong hopes for establishing these three commodities as important items in the agricultural export trade of the Dominican Republic and special legislation was enacted to encourage their production. The production of rice and peanuts has been integrated with plans for land distribution and colonization. The production of bananas, on the other hand, has been made the subject of an agreement between a subsidiary of a North American company and the Dominican Republic Government. Fewer bunches of bananas were exported during the year than in 1942, but this was due primarily to the shipping shortage. Despite the great attention paid to the production of rice and peanuts, disappointing results were obtained from both crops. The rice, particularly, suffered from heavy spring rains and from the summer drought.

The pronounced trend toward diversification, evident throughout the year, was assisted by Government-sponsored experiments with soybeans, rubber, wine culture, castor beans, and sisal and henequen. The soybean, wine-culture and castor-bean experiments were all in early stages at the end of the year. It is reported that satisfactory results have been obained with all three. The rubber program was undertaken under an agreement with the United States Department of Agriculture. It is the aim of the Dominican Republic to raise 1,000,000 hevea plants to be distributed throughout the country in quantities of 250 to 500.

Aside from difficulties wrought by weather conditions and plant pests, the principal difficulty encountered by farmers during 1943 was in the marketing rather than in the production of their crops. The shortage of truck transportation occasioned by lack of tires resulted, in some cases, in heavy losses to producers and, in all cases, in higher prices to consumers.

Industry

While the Dominican Republic is undertaking to develop a program of increased industrial activity and during the year 326 new business enterprises, capitalized at $763,000 and employing 1,261 workers, were established, activity in this field is still relatively small in comparison with agricultural production. The greatest number of these new industry establishments are small enterprises, however, employing only a few people. The most important new industrial plant established during the year was the Ciudad Trujillo Slaughterhouse, which, alone, employs 184 people and is capitalized at $471,274.

Among the others were factories and plants for manufacturing butter and cheese, wines, liquors, chocolate, textile products, shoes, lumber, bricks, paints, cigars, and mirrors. With imports difficult to obtain and quantities of available goods limited, the new enterprises were easily able to market their goods, and, in addition to other domestic industries, enjoyed a fairly prosperous year.

Labor

The country was faced with a threat of a serious shortage of labor during the year. Commitment to produce more foods was contingent on the availability of increased numbers of workers. However, the projected expansion in production coincided with similar expansion programs in other areas from which workers for the country's sugar and other industries are normally recruited. Nevertheless, production, while not as high as expected, was, under the circumstances, satisfactory.

The lack of skilled workers, however, has long been a handicap to the nation's industrialization program, and new developments in that field during the year, while at a fair rate, were limited.

The Government sponsored several "school-workshops" for the training of skilled workers in the textile industry, and, at the same time, widespread instruction in the operation of hand looms was given in order to provide a source of livelihood to skilled workers and a source of supply of goods for the country as a whole. Courses were also inaugurated during the year at the University of Santo Domingo to prepare skilled technicians for work in the chemical industries.

Foreign Trade

Total foreign trade was valued at approximately $50,000,000 in 1943 and was exceeded in amount only six previous times since 1905. Exports were valued at $36,000,000, 80 percent higher than those in 1942. Imports were valued at $14,000,000, an increase of 25 percent over 1942. Higher prices accounted for the apparent expansion, since trade in 1943 was at a smaller volume than in previous years.

The principal products exported, in the order of their importance, were raw sugar, cocoa, coffee, yucca starch, tobacco, rice, molasses, refined sugar, corn, bananas, pine wood, cattle, eggs, beer, and beeswax. The first three products listed have consistently, in recent years, occupied these same relative positions, but, among the others, starch, tobacco, bananas, eggs, and beer all increased in importance, whereas rice, molasses, corn, cattle, and beeswax dropped in relative importance.

As usual, among imports into the Dominican Republic, cotton textiles occupied the position of primary importance. The great bulk of imports, however, were controlled by wartime factors, which limited importations of certain items. Nevertheless, with the single exception of the tire situation, which materially increased in gravity during the year, wartime limitations on imports did not cause great hardship to the Dominican Republic.

Transport and Communication

While the problems of transportation were by no means solved during 1943, procedures were nevertheless worked out and adjustments made which permitted maximum operations under existing shortages of shipping, tires, and petroleum products. The adjustments made were reflected in the satisfactory flow of imports and exports.

It was estimated at midyear that only 250 of the estimated normal total of 800 trucks, which provide the chief means of transportation of goods within the country, were operating in the Republic. Almost all of the aproximately 550 trucks out of commission were placed in that condition because of lack of tires. The more severe economic effects of the lack of tires, as it concerned the agricultural life of the Republic, were avoided in some measure by the food-purchasing activities of the Commodity Credit Corporation, which was able to distribute a small number of tires during the year to truckers for the specific purpose of hauling commodities purchased by that agency.

The enforced restrictions on trucking resulted in a great expansion of the operations of the United Dominican Railroad—the 152 miles of railway connecting the Cibao region with the northern coast of the Republic. The railroad carried a total of 126,097,071 kilograms of freight during the year as compared with 91,096,765 kilograms during 1942. Total revenues were almost twice their 1942 level. Although the average weight of freight per car dropped from 6,625.2 kilograms in 1942 to 6,002.5 kilograms in 1943, the average revenue per kilometer increased from $0.983 in 1942 to $1.402 in 1943.

The increase in air travel to, from, and through the Dominican Republic during 1943 led to the inauguration in March of the Cristobal Colon Airport for use by planes of the British West Indies Airways. The Miraflores Airport, used jointly by Pan-American Airways and the Dominican Army, was expanded during the year to accommodate increased air traffic; new runways were installed, one 7,500 feet and the other 5,600 feet in length. The British West Indies Airways contemplated the establishment of an internal service during the year, but the plans, which provided for an aerial taxi service at the start, did not materialize. At year's end Pan-American Airways was also contemplating an internal service, with every chance that it would be realized if the proper planes could be obtained.

New Ties Across Mexico-U. S. Border

(Continued from p. 4)

mere hope of a fortunate landfall. Instead, it will be working to greatly broaden the two-way movement on an already well-tried route.

Fine Achievements in Past

One of the first tasks of the Commission will be to review the considerable volume of research and regulatory work our countries have carried on in the past and continuing at present. The benefits the people of both nations already have derived from those projects are so important that I want at least to mention a few of the projects that will serve as a basis for the future work of the Commission.

In the field of animal husbandry, for example, relations between veterinarians and other scientists and technical experts of the two countries have been close for many years. With our long common frontier, an outbreak of animal disease on one side of the border is watched with interest and apprehension by livestock men and agricultural authorities on the other. Any assistance which either nation can give the other in stamping out the disease is not only an act of friendship toward a neighbor, but also self-protection. Animal diseases, like plant diseases and insect pests, recognize no international boundaries and need no passports.

The recent cooperative work in combating scabies of cattle in Chihuahua, and the present effort by veterinarians of both countries to eradicate dourine of horses in the border region of Sonora are two outstanding examples of collaboration. The United States veterinarians who work on such projects not only have the privilege of helping check a threat to the livestock of their own country; they also have the opportunity of obtaining valuable information from their Mexican associates.

Bollworm, Fruitfly, Black Rust

The Bureau of Entomology and Plant Quarantine of the U. S. Department of Agriculture has for many years worked most closely with Mexican authorities on a wide variety of problems. As far back as 1917, when the pink bollworm was first discovered in the cotton fields of Texas, the Mexican Government quickly offered help in our efforts to control the pest. Cooperative studies carried out in the Laguna District developed information which has been of immense value in framing and carrying out control policies. Later, the joint effort widened from research to include active control programs on both sides of the border. Today cooperative work both in research and control is well established. The U. S. Department of Agriculture maintains a permanent office at Monterrey, and one of the main objectives of the work is to help Mexico reduce the pink bollworm population. Control of the pest in Mexico reduces the danger of its spreading into the United States as well as into other parts of Mexico.

The same friendly cooperation between the two nations has marked the fight against the Mexican fruitfly. Soon after that fly was found in southern Texas, the U. S. Department of Agriculture asked permission to set up a laboratory in Mexico, and the Mexican Government promptly granted the request. Cooperative relationships have been most friendly ever since. The quarters which the laboratory now occupies in Mexico City were built especially for that purpose by the Mexican Government. That friendly action has helped us greatly in our fight against the fruitfly and is deeply appreciated by people in the United States.

Mexico has been of great assistance to the United States in its effort to combat black stem rust of wheat. Observations made in Mexico are valuable in predicting outbreaks in the United States. During the past few years annual surveys have been made in Mexico by representatives of the U. S. Department of Agriculture with the assistance of Mexican specialists. Results have been most helpful. As an outgrowth of this work, the United States has been furnishing, for planting in Mexico, seed varieties of wheat that are resistant or tolerant to certain strains of black stem rust.

Other Cooperative Efforts

The cooperative efforts now under way in Mexico to investigate rubber-production problems and guide commercial activities for improved production have attracted wide interest. It is most gratifying to know that research is going ahead in connection with hevea brasiliensis, guayule, and cryptostegia.

Also, our two countries are helping each other in the field of agricultural engineering. Engineers of the U. S. Department of Agriculture are now working to develop better equipment for processing sansevieria fiber. One of the first steps was to send two engineers to Mexico to study methods in use there, and I am told that the information has been of great value in planning improved equipment.

Cooperative efforts like the few I have mentioned serve as a solid foundation for the work of the Mexican-United States Agricultural Commission. Much of the Commissions's task will be to foster the projects that now are under way, and to encourage even wider cooperation in agricultural research and regulatory work. There are many fields in which the effort could be broadened with mutual benefits to both countries.

Information and Education

The Commission, of course, has other spheres of interest; and there, too, the groundwork of close cooperation already has been laid.

One of the interests of the Commission, for example, will be to encourage exchange of publications and other information regarding agriculture. Already the U. S. Department of Agriculture is receiving more than 50 exchange publications from Mexico—material that adds greatly to the interest and value of our library. At the same time we are sending U. S. agricultural publications to the Mexican Department of Agriculture and other Government agencies.

The Commission will be interested in exchange of students and technical experts. Here, again, much has been done already. During the past 4 years, 12 agricultural specialists from Mexico have worked with various branches of the U. S. Department of Agriculture under our regular intern trainee program. Mexico has supplied more of these trainees than any other single country of Latin America. During the year beginning next fall we expect to have four more agricultural interns from Mexico—two of them attached to the Agricul-

Courtesy Pan American Union

Growing henequen in Mexico.

tural Extension Service and two to the Soil Conservation Service.

In the school year that has just closed, we know of 11 students from Mexico who were enrolled in agriculture or allied subjects in colleges or universities in the United States. That is a good beginning, but I hope it is *only* a beginning. The records show that more than 350 students from Mexico were studying in United States institutions of higher learning last year. Nearly 80 were studying engineering, and more than 50 were enrolled in some branch of medicine. Surely 11 is a small number to represent a subject so important in both countries as agriculture.

Economic Phases

The Commission also will be interested in encouraging joint economic and sociological studies in the agricultural field. This work offers a promising field for cooperative research and exchange of information, especially in view of the extensive pioneering work that both countries have carried out along those lines in recent years.

As I indicated at the outset, I regard the first meeting of the Commission as a most significant event in the history of cooperation between our two countries and in the history of agriculture in the Western Hemisphere. The work of the Commission will be built largely on the solid rock of research. With such a foundation, there is almost no limit to the height of the structure we may build upon it. Complete factual information is the basis for practically all improvements in plants and livestock, of care of the soil, and, to a large degree, fullness of farm living. One solid fact, developed by sound research, is worth a dozen guesses or estimates.

And, as we all know, the economic and social results of a scientific advance in agriculture can be amazing. It has been said that the most pressing agricultural problem of the tropical Americas is the low yield of corn. If Mexican and United States scientists can, in the course of their increased cooperation, point the way to higher yields of corn in hot climates, the material benefits to the Western Hemisphere might be tremendous.

Whole Chain of Benefits

The kind of cooperation which the Commission will foster sometimes has a way of resulting in a whole chain of benefits. For instance, both Mexico and the United States have long been interested in developing more fully the possibilities of complementary agriculture. Mexico, like other countries in the tropical Americas, raises agricultural products which the United States wants and needs. Mexico, in turn, needs United States products, farm as well as industrial. The progress we can make through joint research toward more efficient agricultural production will make for an increased volume of the kind of trade that both countries desire so sincerely. It also will make for better living in both countries, both on farms and in cities.

We are taking a long step toward consolidating the many lines of cooperation already developed, and are broadening the foundations for greater agricultural cooperation in the future. The work of this Commission may well be the starting point of far-reaching contributions to the well-being of the people of Mexico and the United States.

Latin American Exchange Rates

NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal, and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to a dollar.

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1942 (annual)	1943 (annual)	April 1944 (monthly)	Rate	Approximate equivalent in U. S. currency	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	June 10, 1944
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.94	4.94	4.94	4.94	.2024	Do.
		Free market		4.06	4.02	4.04	.2475	Do.
Bolivia	Boliviano	Controlled	46.46	42.91	42.42	42.42	.0236	July 4, 1944
		Curb	49.66	45.42	50.00	50.00	.0200	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	May 31, 1944
		Free market	19.64	19.63	19.63	19.63	.0509	Do.
		Special free market	20.52	20.43	20.30	20.30	.0493	Do.
Chile	Peso	Special	19.37	19.37	19.37	19.37	.0516	July 1, 1944
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Free market	31.75	32.37	32.27	32.00	.0313	Do.
		"D. P." [2]	31.13	31.00	31.00	31.00	.0323	Do.
Colombia	do	Commercial bank	1.75	1.75	1.75	1.746	.5727	July 8, 1944
		Bank of Republic	1.76	1.76	1.76	1.755	.5698	Do.
		Curb	1.77	1.76	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.71	5.65	5.65	5.72	.1748	May 31, 1944
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	1.00	1.00	1.00	1.00	1.0000	June 17, 1944
Ecuador	Sucre	Central Bank (official)	14.39	14.10	14.10	14.10	.0709	June 27, 1944
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Do.
Mexico	Peso	Free	4.85	4.85	4.85	4.85	.2062	June 15, 1944
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	July 1, 1944
		Curb		5.16	5.48	5.80	.1724	Do.
Paraguay	Paper peso	Official	333.00	[3] 333.00				
	Guarani [4]	do		3.10	3.10	3.10	.3225	May 31, 1944
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1538	July 8, 1944
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	May 15, 1944
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	July 8, 1944
		Free	1.90	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.35	3.35	3.35	3.35	.2985	May 15, 1944
		Free	3.45	3.35	3.35	3.35	.2985	Do.

[1] Under law of Oct. 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since Nov. 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] Disponibilidades proprias (private funds).
[3] Used until Nov. 7, when the paper peso was replaced by the guarani.
[4] New currency unit instituted as of Nov. 8, 1943.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

Imported Sugar-Containing Products: Changes in OPA Controls

Four changes in the provisions which cover the control of imported sugar-containing products were announced recently by the Office of Price Administration.

Three of the changes relate to reports from institutional and industrial users of these products. The other revision relieves local War Price and Rationing Boards of handling the ration currency surrendered by institutional and industrial users for imported sugar-containing products.

Effective June 30, 1944, these ration evidences will now be surrendered to the district office instead of to the local board. This is required because institutional and industrial users' reports are made to the District office. It is desirable that ration evidences be surrendered to the same office which receives the reports, OPA said.

Institutional users will report on their use of imported sugar-containing products every 2 months instead of quarterly, because they receive their allotments on that basis. Industrial users will continue to report their use on a quarterly basis, since they receive their allotments on that basis.

In order that the district office may have complete records regarding the amount of imported sugar-containing products that industrial and institutional users are permitted to use, any imported sugar-containing products in their possession or in transit to them on May 1, 1944, must also be reported.

Persons who import or receive these products from a Collector of Customs must also report the amount in their possession May 1, 1944. This information will give a more accurate check on the distribution of the imports, OPA says.

Guam—

(Continued from p. 3)

thatched huts are broken here and there by the sheet-iron roofed buildings and tiled adobe houses surviving from Spanish times.

During recent years, when high prices were paid for construction of public and naval works, a regrettable trend toward the city developed, presenting new social and economic problems. Farming lost in prestige, and in 1940 about half the total population of Guam—or 11,000 residents—lived in Agana.

Pre-War Jap Influence Slight

Although the nearest Japanese-mandated island, Rota, is only 45 miles distant, Japanese influence in Guam was negligible in recent years, the census of 1940 recording only 39 Japanese in the Island. Prior to American administration, however, Japan was active in the trade of Guam, taking all of the copra exported and sending quantities of manufactures to the island on small schooners plying between Yokohama and Apra. Even after the port of Apra was ostensibly closed to foreign ships in 1912, a few Japanese schooners were allowed provisionally to visit the island, and, during the period of Japan's trade expansion in the early thirties, that country secured about 14 percent of Guam's import trade. In 1940, however, of total imports valued at $64,000 only $16,800 worth were Japanese, compared with imports from the United States valued at $330,000 and $220,000 from Manila.

Home of Ancient Race

The ancient Chamorros, natives of Guam whose great strength and agility annoyed as well as impressed the early Spaniards, were a distinct type resembling Polynesians rather than Malayans. They are believed to have numbered around 40,000 when Magellan arrived, but years of resistance to the Spanish, epidemics, and migrations took heavy tolls, and by 1710 natives in Guam numbered less than 4,000. When the first American census was taken in 1901 the population was somewhat over 9,500, and by 1940 it had increased to 23,000, including about 800 in the United States Naval Station. Surviving records throw little light on pre-Spanish history of Guam and origin of its people. Lives of the natives, however, are deep-rooted in the past, and notwithstanding centuries of alien contacts, an intense pride of race is one of the most admirable traits of the modern Chamorro.

The Spanish conquest stamped the Catholic religion indelibly on the natives of Guam, and somewhat more gradually other outside influences were introduced. Textiles, for example, were shipped to Guam from Manila, and Philippine styles are reflected in Chamorro dress. Only the younger women, before the war, had adopted American fashions and patronized the two beauty parlors in Agana.

(Continued on p. 38)

U. S. Export Control and Related Announcements

(Developments communicated to the Trade Controls Unit up to Monday, July 24, 1944)

The Requirements and Supply Branch, Bureau of Supplies, Foreign Economic Administration, has issued the following Current Export Bulletins:

No. 548—*Current-Export Bulletin No. 179, July 18, 1944*

GENERAL LICENSE G–POST

A. Effective immediately, a general license G–POST is created permitting exportations to the following destinations[1] of all articles and materials except as indicated in paragraph D when contained in individual mail shipments weighing no more than 11 pounds gross and valued[2] at $25 or less; provided that

1. Not more than one parcel or package per week may be mailed by or on behalf of the same person or concern to or for the same addressee (the naming of addressees other than known ultimate addressees for the purpose of evading the limitations of this general license is prohibited); and

2. Such mail shipments conform to the special provisions in paragraphs B and C.

GROUP I[3,4]

Aden.	Arabia (Saudi).
Anglo-Egyptian Sudan.	British Somaliland.
	Cyprus.
Egypt.	Khorya-Morya Island.
Eritrea.	Lebanon.
Ethiopia.	Libya.
French Somaliland (Fr. Somali Coast).	Palestine.
	Perim Island (Aden).
	Saudi Arabia.
Iran.	Sokotra Island (Aden).
Iraq.	Sudan, Anglo-Egyptian.
Italian Somaliland.	Syria.
Kamaran Island (Aden).	Trans-Jordan.
	Yemen.

GROUP II

French North Africa. French West Africa.

GROUP III

Eire. Turkey.

B. Mail exportations to French North Africa and French West Africa are limited to shipments of goods sent as gifts or for sample[5] purposes. For the purpose of this general license shipments of gifts or samples shall include only those shipments made without the expectation or requirement that compensation for the goods be paid by the addressee or any other person.

C. In order to make exportation under this general license, the addressor is required to enter in a conspicuous place on the address side of the wrapper, and on the export declaration (Form 7525) when required to be filed, the words "General License" followed by the letters G–POST. This symbol may not be used for any exportation not in accordance with the provisions here set forth.

D. While the permitted *total* value of each mail shipment is $25, there are further limitations under this general license on exportations of the articles and materials listed below. None of these may be included in shipments under this general license to Eire[6] or Turkey. Exportation to destinations in groups I and II of the articles and materials classified under each individual schedule B number indicated in the list of commodities below are not permitted in which case the word "None" appears in the "Value limits" column, or are limited to quantities no greater in value per single mail shipment than indicated. Where an asterisk precedes a commodity, the value limit applies to all forms, conversions, and derivatives of the commodity, even though not covered by the schedule B numbers listed.

[1] Shipments of limited value by mail or by other means of transportation may be made to group G, group V, and group K destinations under General License GLV.

[2] In the case of the shipments other than gifts or samples, actual selling price less shipping charges or domestic price at time and place of shipment, whichever is larger.

[3] At the present time the Post Office has not restored mail service for all these destinations. Exporters should consult the Postmaster to determine if mail service is available for their proposed shipments.

[4] Import licenses issued by the country of destination are required for some of the shipments authorized for export under this general license. Exporters are cautioned to familiarize themselves with import regulations of the countries to which their shipments are destined.

[5] The Post Office provides special rates for shipments of samples limited to 18 ounces in weight, but will transmit shipments of samples of greater weight at regular parcel post rates. Exporters should note also that shipments of samples are subject to customs examination and valuation in the country of destination and should familiarize themselves with the foreign import regulations which may apply to their sample shipments.

[6] With the exception of tea (see p. 9).

[The abbreviation "i. n. s." as used in this list refers to commodities of this classification not listed specifically]

Commodity	Schedule B No.	Value limits
*Acetanilide	8135.98	$1.00
*Acetarsone (Stovarsol)	8135.98	1.00
Acetic acid	8300.00	1.00
Acetic aldehyde	8329.91	1.00
Acetic anhydride	8301.00	1.00
Acetone	8316.00	1.00
Acetophenetidin	8135.98	1.00
*Acetylsalicylic acid (aspirin)	8127.92, 8135.30	1.00
Acetyltannic acid (Tannigen)	8135.98	1.00
*Agar	8135.98	1.00
Aircraft parts, equipment, and accessories other than those listed in the President's Proclamation of April 9, 1942.	All	None
Air raid sirens and alarms	7089.00	None
Alcohol (methyl)	8310.00	1.00
Alkyd resins, in powder, flake, or liquid form	8253.00	1.00
Aluminum, metal (except finished articles), salts, and compounds	6290.00 through 6305.00, 6308.50, 8135.98, 8336.00, 8339.05, 8339.98.	1.00

Commodity	Schedule B No.	Value limits
Animal oils and fats, edible	0050.00 through 0059.00	$1.00
Animal oils and greases, inedible	0803.00 through 0858.05	1.00
*Anthraquinone	8398.98	1.00
Antimony, metal, salts, and compounds	6515.05, 6645.01, 6649.01, 6670.00, 8396.01 through 8396.08.	1.00
Aperitol	8135.98	1.00
*Arsenic, salts, and compounds	8202.00, 8203.00, 8309.90, 8309.98, 8398.85, 8398.98.	1.00
Asbestos fiber ¾" or more in length	5451.05	1.00
*Atropine	8135.01 through 8135.10	1.00
Babbitt metal	6620.00	1.00
*Barbituric acid and derivatives	All	1.00
Bearings, i. n. s	All	25.00
Beef suet, inedible	0858.98	1.00
Belting, woven, for machinery (include duck woven 12" and narrower)	3140.00	1.00
Benzocaine (Anaesthesin)	8135.25	1.00
Beryllium, metal, salts, and compounds	8396.20, 6645.05, 6649.05	1.00
Bicycles, adult	7950.00	None
Bismuth, metal, salts, and compounds	6649.10, 8135.98, 8396.30 through 8396.38.	1.00
Bleaching powder	8340.00	1.00
Boiler gage glass tubes	7139.05	1.00
Bristles, pig	0999.98	1.00
Bromural	8344.98	1.00
Butadiene, including polymers and copolymers of	8258.19, 8329.83	1.00
Cacodylic acid and salts	8135.98	1.00
Cadmium, metal, salts, and compounds	6645.15, 6649.15, 8396.51 through 8396.58, 8429.01, 8429.02.	1.00
*Caffein	8135.11, 8135.12	1.00
*Calcium gluconate	8135.98	1.00
Cameras and parts therefor, i. n. s	All	25.00
Camphor, natural	8329.95	1.00
*Carbarsone	8127.98, 8135.98, 8180.98	1.00
*Carbromal	8127.98, 8135.98, 8180.98	1.00
*Cascara bark and derivatives	2201.00, 8124.98, 8127.98	1.00
*Cashew nut shell oil	1449.98	1.00
Castor beans and oil	2220.01, 2249.01	1.00
Cerium, metal, salts, and compounds	6645.18, 6649.18, 8398.98	1.00
*Chaulmoogra oil	2249.98	1.00
Chemicals, all, i. n. s	All	25.00
Chiniofon (yatren)	8135.98	1.00
Chloropicrin	8069.05, 8205.95	1.00
Chloroprene, including polymers and copolymers of	8329.88	1.00
Chromium, metal	6645.20, 6649.20	1.00
Cinchona bark	2209.04	1.00
*Cinchonidine	All	1.00
*Cinchonine	All	1.00
Citric acid	8303.07	1.00
Cobalt, metal	6645.25, 6649.25	1.00
Cocoa	1501.00 through 1503.00	1.00
Coconut oil	1420.00, 2230.00	1.00
Coffee	1511.00, 1512.00	1.00
Coffee extracts and substitutes	1513.00	1.00
*Colchicum and derivatives	2209.29, 8124.98, 8127.98, 8135.98	1.00
Columbium, metal, salts, and compounds	6645.30, 6649.30, 8398.98	1.00
Confectionery	1634.00 through 1637.00	1.00
Copper, copper base alloy, manufactures and copper sulphate	6401.00 through 6479.98, 8201.00	1.00
Corundum	5405.00, 5409.98, 5419.00, 5409.20, 5411.98.	1.00
Cotton duck cloth	3023.00, 3025.00, 3026.00, 3062.00	1.00
Cotton pulp (Includes cotton seedhull, shavings pulp, cotton pulpboard, bleached and purified linters).	3006.00	1.00
Cotton yarn, mercerized	3012.00	1.00
Cotton yarn, unmercerized	3013.10, 3013.20	1.00
Cresylic acid and cresols	8024.09	1.00
Cryolite, natural and artificial	5960.10, 5960.15	1.00
Dairy products (excepting fresh and sterilized milk, infants' foods, malt-milk).	0061.00 through 0067.00	1.00
Dental instruments (burrs, hand-pieces, and contra-angles only)	9150.00	1.00
Dibutyl phthalate	8025.93	1.00
*Diamonds, industrial	5409.10, 5990.05	None
*Digitalis, seeds	2209.09	None
Dimethylaniline	8025.50	1.00
Diphenylamine	8025.70	1.00
Douglas fir	ALL	25.00
Egg products, i. n. s., dried	0093.05	1.00
Egg products, frozen	0093.07	1.00
Eggs, in the shell	0092.00	1.00
Electric indicating, measuring, and recording instruments	7036.05 through 7038.98, 7099.93	1.00
Electric fuel pumps, i. n. s	ALL	25.00
*Emetine	ALL	1.00
Ephedrine and salts	8135.98	1.00
Equipment and parts which can be used or adapted to use for the production of aviation motor fuel or tetraethyl lead.	7750.01, 7750.03	None
Equipment for the production of aviation lubricating oil	7750.01, 7750.03	None
Ethodin (Rivanol)	8135.98	1.00
Feathers and down, including pillows	0923.00, 0929.00	1.00
Ferrochrome	6220.50	1.00
Ferromanganese	6213.03	1.00
Ferrotungsten	6220.96	1.00
Fire control instruments, military searchlights, aerial cameras, and other types of military equipment containing optical elements.	ALL	None
Firearms	ALL	None
Fish and fish products	0070.00 through 0090.98	1.00
Flax manufactures, except wearing apparel and household goods	3399.03, 3399.05, 3399.06, 3399.09, 3399.98.	1.00
Fluorspar acid grade	5960.20	1.00
Fluorspar, other	5960.20	1.00
Fruit juices	1772.00 through 1779.00	1.00
Fruits and preparations	1302.00 through 1305.00, 1310.00 through 132.00, 1321.00 through 1328.00, 1330.05 through 1347.00.	1.00
Gas masks	9190.92, 9190.98	None
Gauges, precision	6178.90, 7750.07, 9190.01	None
Glycerin	8314.00	1.00
Graphite, 97.98 percent, Ceylon lump amorphous	5472.01	1.00
Graphite and graphite manufactures except 97.98 percent Ceylon lump amorphous (except graphite electrodes).	5472.01, 5472.03, 5480.55	1.00

(Continued on p. 34)

Synthetic Organic Chemicals in Republic of Panama Today

(Continued from p. 8)

market. Some competition in the medicinals trade may develop from the newly established Laboratorios Istmeños. This organization, however, imports its raw materials.

Small quantities of extracts for flavoring and perfumery are imported. The United States was the sole supplier in 1943, when imports of these materials into Panama were valued at $550,000.

Business in the Republic shows no upward trend at present. Opportunities for the sale of synthetic organic chemicals in the immediate post-war years are not likely to increase. Any development of local chemical-consuming industries will take place slowly, and domestic manufacture of chemicals on an increased scale does not appear likely. In estimating the potential market, it should be borne in mind that Panama's total imports during the peak year of 1943 amounted to approximately $40,000,000. Chemicals, toilet preparations, and medicinals accounted for $2,690,022, or about 6 percent of the total figure.

United States chemical products occupy an established place in the Panamanian market. They are well known to the average consumer and are favorably received. Chemicals used in various local industries should find a fair demand. In normal times, trade opportunities are closely linked to price, a possible profit being the deciding factor.

Panama's Imports of Certain Organic Chemicals from the United States

Item	1941		1942	
	Quantity	Value	Quantity	Value
Cresote or dead oil gallons	6,790	$1,984	4,350	$1,497
Phenol pounds	940	312	608	252
Other coal-tar intermediates do	240	70	659	287
Coal-tar colors, dyes, stains do	7,181	5,779	6,017	9,630
Vanillin do	327	620	84	173
Synthetic flavoring extracts gallons	7,203	45,609	11,805	54,495
Acetic acid pounds	4,252	725	2,390	482
Tartaric acid do	2,356	1,783	1,910	1,515
Glycerin do	14,889	3,082	2,401	739
Acetone do	11,257	1,020	328	86
Carbon bisulfide do	33,760	3,274	42,280	2,757
Formaldehyde do	590	200	1,054	85
Ethyl ether do	5,045	1,529	1,535	699

Detailed plans for the electrification of many miles of main-line and suburban railways of Great Britain are under consideration, according to a British technical publication.

Vaccine produced locally was successful in overcoming the latest outbreak of smallpox in the Sudan, according to a British trade journal. At least 1,800,000 doses of the vaccine were administered in 13 months.

War Produces Crisis in Peru's Lumber Industry

(Continued from p. 7)

packed for the shipment of gasoline, and which subsequently have become, through custom and habit, the standard unit for crating of fresh fruits and vegetables over large areas of Peru.

The remainder of the lumber production of the Sierra region has normally been used locally for general construction purposes. Prior to the war, very little lumber was shipped out of the region. However, with the spread of the conflict, the situation has changed. At the present time, lumber, in large quantities, goes to the coast region, where it is used in place of previously imported lumber.

To what extent this areal spread will permanently influence the foreign lumber trade of Peru is difficult to forecast. The time has been too short, and the circumstances under which this development is taking place are abnormal and, therefore, do not lend themselves as a basis for conjecture.

However, the use of eucalyptus has spread not only to new areas, but also has invaded new fields of application. It is quite probable that the effects of the spread in application may make themselves felt on a broader front than heretofore by competing with lumber imported for similar usage.

In this connection, the adoption of eucalyptus cross ties is an important development. Formerly, most of the railroad cross ties used by the Peruvian Railway lines were imported from the United States. The following figures indicate the volume of this trade:

United States Exports of Railroad Cross Ties to Peru

Year	Number of Units
1929	367,877
1932	7,500
1935	148,635
1936	124,340
1937	195,001
1938	10,720
1939	41,629
1940	257
1941	15,114
1942	(1)

[1] Not shown.

SOURCE: U. S. Bureau of Foreign and Domestic Commerce, *Foreign Commerce and Navigation*, for years shown.

Even though the suitability of eucalyptus cross ties has not been fully established, as the ties at the present time are not seasoned or cured, the development is, nevertheless, worthy of note. It has been reliably reported that preservative-treated eucalyptus cross ties have so far proved satisfactory. Although it can hardly be expected that they will be introduced on all lines, it is quite feasible that they will become a permanent fixture in those sections of Peru in which the differential in price will render them attractive in comparison with imported, and perhaps more durable, cross ties.

(Continued on p. 37)

U. S. Export Control and Related Announcements

(Continued from p. 33)

Commodity	Schedule B No.	Value limits
*Gum benzoin	2189.93	$1.00
Hempseed	2220.20	None
Hemp	3399.98, 3419.05, 3399.20	1.00
Hexamethylenetetramine and compounds	8329.96, 8329.98	1.00
Hops, concentrated hops, and hop extract	1259.98, 2591.00, 2999.91	1.00
Hormones	8123.00, 8135.98	1.00
Hyoscine (Scopolamine)	8127.96, 8180.19	1.00
Hypodermic needles, and surgeons' needles	9157.00	1.00
Industrial indicating, recording, or controlling instruments and apparatus.	7740.08	1.00
Ichthyol	8135.98	1.00
Insulin	8123.00	1.00
*Ipecac	2209.98	1.00
Iron or steel body valves and parts for steam, water, oil, and gas	7745.98	1.00
Jewel bearings	5990.98	1.00
Jute, yarn, cordage, twine, and empty bags	3205.09, 3211.00, 3224.00, 3229.05	1.00
Kapok fiber, except used or waste	3205.11	1.00
Kyanite	5960.98	1.00
*Lactose (milk sugar)	8135.98	1.00
*Lanolin	0858.05	1.00
Lead, metal and finished articles	6507.00 through 6515.98, 6645.35	1.00
Leather, calf upper	0304.10, 0304.20, 0305.10, 0305.20	1.00
Leather, sole and belting, except offal	0324.00, 0330.00	1.00
Leather, sole; other than backs, bends and sides	0332.05, 0332.98	1.00
Lenses for precision instruments	9147.00, 9149.98	1.00
Magnesium, metal	6638.00, 6691.05	1.00
Manila hemp, fiber and cordage	3205.15, 3414.00	1.00
*Mapharsen	8124.98, 8135.98	1.00
Meat products	0020.00, 0021.00, 0027.00 through 0036.18, 0037.00, 0038.00, 0039.09.	1.00
Measuring and scientific instruments (including precision gages), i. n. s	All	None
Mercury metal, salts, and compounds	6635.00, 8397.41 through 8397.48	1.00
*Mesothorium	6649.65, 8398.91, 8438.20	1.00
Metal drums, containers, gas cylinders	6205.01, 6205.03, 6205.11, 6205.13	None
Metals, all metals and manufactures, except clothing fasteners affixed to garments, i. n. s.	All	25.00
Meters and parts, gas and water	7741.00, 7742.00	1.00
Methyl alcohol	8310.00	1.00
*Methyl methacrylate	8258.03, 8261.03	1.00
Methylamine	8329.92	1.00
Methylene blue	8059.00	1.00
Methylene chloride	8069.98	1.00
Mica, unmanufactured	5510.00	1.00
Mica manufactures, other (except book pack splittings and good stained and better block or film).	5513.00	1.00
Molybdenum content of ferromolybdenum	6220.85	1.00
Molybdenum, metal, salts and compounds	6636.00, 6649.45, 6691.07, 6691.08, 8397.58.	1.00
Naphthalene	8020.05	1.00
Narcotics and narcotic preparations	All	None
Neat's foot oil	0803.00	1.00
*Neoarsphenamine	8124.98, 8135.98	1.00
Nickel-chrome, electric resistance wire	6630.00	1.00
Nickel, metals, salts, and compounds	6545.01 through 6549.98, 8397.61 through 8397.68	1.00
Nikethamide	8124.03, 8135.98	1.00
Novalgin	8135.98	1.00
*Nux vomica	2209.15	1.00
*Nylon	3840.05, 8258.05	1.00
Oiticica oil	2249.06	1.00
Oilseeds, i. n. s.	All	25.00
Optical elements for fire-control instruments, aircraft instruments, etc.	5230.09, 9147.00	None
Optical glass, except ophthalmic	5230.06	1.00
Palm kernels, nuts, and oil	1449.03, 2220.20, 2249.25	1.00
Pamaquine naphthoate (plasmochin)	8127.98, 8135.98	1.00
Paraffin wax, refined and unrefined	5045.00, 5046.00	None
Paris green	8205.91, 8397.02	1.00
Peanuts and peanut butter	1259.98, 1375.00	1.00
*Penicillin	8124.98, 8135.98	None
Peppermint, essential oil of	2268.00	1.00
Perilla seed and oil	2220.20, 2249.04	1.00
Petroleum products:		
Natural gasoline	5012.00	None
Aviation motor fuels	5016.05, 5016.98	None
Other motor fuels and gasoline	5017.07, 5017.98	None
Kerosene	5027.00	None
Blending agents	5013.10	None
All pharmaceutical natural products	All	25.00
Phenobarbital	8135.98	1.00
Phenol (carbolic acid)	8923.00	1.00
Phenol-formaldehyde resins, in unfinished forms	8255.01, 8260.01, 8261.01	1.00
*Phenolphthalein	8135.98	1.00
*Photographic unexposed film, plates, and paper (including blueprint paper) except unexposed 35-mm. motion picture film.	9117.10 through 9117.60, 9125.00 through 9140.00.	None
Photographic unexposed motion picture film (35-mm.) positive and negative.	9117.10, 9117.20	1.00
*Phthalic anhydride and phthalates	8025.90, 8025.93	1.00
Platinum group metals, salts, and compounds	6920.00, 6922.05, 6922.09, 6929.05, 6929.98, 8398.70 through 8398.78.	1.00
Platinum jewelry	9620.00	None
*Polyvinyl chloride	8258.19	1.00
Portable electric tools	7056.05, 7056.98	1.00
Potassium chlorate and perchlorate	8359.09, 8359.21	1.00
Potassium permanganate	8359.23	1.00
Procaine (include novocaine, etc.)	8135.25	1.00
Prominal	8135.98	1.00
Propylene dichloride	8329.98	1.00
Psyllium seeds	2209.98	1.00

Commodity	Schedule B No.	Value limit
Pyrethrum	2209.19, 8205.30, 8205.02	
*Quartz crystals	5960.01 through 5960.08	$1.00
Quinacrine hydrochloride (atabrine)	8127.98, 8135.98	1.00
Quinidine	All	1.00
*Quinine	All	1.00
Radio mica condensers and capacitors	7079.01	1.00
Radio transmitting sets, tubes, and parts	7948.07, 7948.98, 7076.05, 7076.98	1.00
Radio tubes or valves for receiving sets	7078.05, 7078.98	1.00
*Radium	8135.15, 8397.75	1.00
Rapeseed oil	1449.04, 2220.20, 2249.06	1.00
Rare earths (kieselguhr, thorium, monasite, cerium)	All	25.00
Raw furskins	0711.00 through 0729.98	25.00
Rayon yarn	3830.07, 3840.07, 3840.08, 3840.11	1.00
Rennet	0099.00	1.00
Rice:		
Paddy or rough rice	1055.00	1.00
Milled rice, including brown rice, broken rice and rice screenings	1057.00	1.00
Rice flour, meal and polish	1058.00	1.00
Rubber and rubber products (except rubber scrap)	2001.00 through 2099.90 (except 2012.05 and 2012.98).	1.00
Rubber scrap, all	2012.05, 2012.98	None
Rubberlike compounds, synthetic, unfabricated, include polymers and copolymers of butadiene, acrylonitrile, butylene, styrene, and vinylidene chloride.	8258.19	1.00
Sago	1259.98	1.00
*Salicylic acid	8303.98	1.00
*Santonin	8135.98	1.00
Seeds (except oilseeds)	2401.00 through 2419.00, 2468.50, 2468.90.	1.00
Serums and antitoxins	8121.00	1.00
Shearlings	0307.00, 0336.00	1.00
Shellac	2186.00, 2189.05	1.00
*Silk	3702.00 through 3799.00	1.00
Silver salts and compounds	8124.98, 8135.98, 8142.00, 8180.98, 8398.98.	1.00
Sisal and henequen cordage	3419.09	1.00
Sitka Spruce	All	25.00
Soap	8710.00 through 8729.00	1.00
Sodium cacodylate	8135.98	1.00
Sperm oil	0809.05	1.00
Spices (include pepper, nutmeg, cloves, cassia, etc.)	1549.01 through 1549.98	1.00
Strontium, metal	6649.98	1.00
Styrene	8025.96	1.00
*Strychnine	8135.17	1.00
Sugar	1619.05	1.00
*Sulfarsphenamine	8124.98, 8135.98	1.00
*sulfonamides (include all sulfa drugs)	8135.98	1.00
Tacks and nails (made from tackplate or wire) to be used in the manufacture of shoes.	6094.00, 6095.00	1.00
Tantalum, metal, salts, and compounds	6645.60, 6649.60, 8398.80	1.00
Tapioca	1259.98	1.00
Tea [1]	1521.05	1.00
Teakwood	ALL	25.00
Tetraethyl lead, ethyl fluid, and any mixture containing more than 3 cc. tetraethyl lead per gallon.	8299.15, 8299.19	1.00
*Theobromine	8135.18	1.00
*Theophylline	8135.19	1.00
Thyroid	8123.00	1.00
Tin, metal, salts, and compounds	6565.01 through 6565.98, 8381.01 through 8381.98	1.00
Tinplate and terneplate, unfabricated	6041.00, 6042.00	1.00
Tinplate, circles, strips, cobbles and scrollsheer butts	6013.00	1.00
Tinplate, waste-waste	6014.00	1.00
Titanium, metal	6649.70, 6645.70	1.00
Tobacco, unmanufactured leaf (bright flue-cured)	1601.00	1.00
Toluol	8011.00	1.00
*Totaquine	8157.05	1.00
*Tools incorporating industrial diamonds	6155.15, 6156.05, 6178.91, 7455.03, 7485.12, 6409.05	None
Tricresylphosphate	8025.91	1.00
*Tryparsamide	8135.98	1.00
Tung oil	2249.10	1.00
Tungsten, metal, salts, and compounds	6639.00, 6691.98, 8398.20 through 8398.28, 6645.80	1.00
Type metal	6670.00	1.00
*Uranium	6645.85, 8398.30	1.00
Vaccines for human use	8122.00	1.00
Vanadium, metals, salts, and compounds	8398.35 through 8398.38, 620.87, 6637.00, 6649.90, 6691.98	1.00
Vanilla beans	1549.15	1.00
Vegetable oils	2230.00 through 2249.98	1.00
Vegetable oils and fats, edible	1420.00 through 1441.00, 1447.00 through 1449.98	
Vegetables and preparations	1201.10 through 1202.50, 1208.00, 1211.00, 1241.00 through 1251.00, 1252.95, 1253.00 through 1259.03.	1.00
Vegetable tallow and wax	2999.05	1.00
*Vitamins and vitasterols (all)	8119.98	1.00
Well and refining machinery, i. n. s.	All	25.00
Wood pulp	4601.00 through 4619.00	1.00
Wool rags	3622.00	1.00
Wool noils and waste	3626.00	1.00
Wool tops	3628.00	1.00
Wool yarns	3633.00	1.00
Wool fabrics	3642.00, 3642.01, 3649.00	1.00
Wool felts	3663.00, 3664.00	1.00
Wool blankets	3666.00, 3666.01	1.00
*Yeast	1259.98	1.00
Zinc, metal (except finished articles), salts and compounds	6570.00 through 6589.98, 8398.45 through 8398.48, 8299.90, 8429.19, 8411.00.	1.00
Zirconium, metal	6645.95, 6691.98, 6220.88	1.00

[1] A single mailing of tea in a quantity not in excess of ½ pound is permitted once a month to any addressee in Eire.

*Nothing in this bulletin or in Order M-317 is to be construed as changing the validity period in the case of licenses for exportation to Selected Destinations (Comprehensive Export Schedule No. 14, pp. 167-170).

No. 549—*Current Export Bulletin No. 180, July 22, 1944*

I. Cotton Textiles for Certain Middle East Destinations

1. Allocations of certain cotton textiles and yarns have been made available for exportation to certain of the Middle East destinations to meet minimum wartime requirements. The anticipated second half allocation against which the Combined Agency for Middle East Supplies may issue release certificates until December 31, 1944, will consist chiefly of sheetings, but will also include poplins, shirtings, drills, prints, yarns and cotton knit goods (underwear).

2. a. The Schedule B Numbers covering the allocations of fabrics which may be exported to Aden, Anglo-Egyptian Sudan, Iraq, Syria, Iran and Eritrea follow:

	Schedule B Nos.
Combed cloth:	
Poplins and broadcloths	3039.00, 3074.00.
Other combed yarn fabrics and voiles	3074.00, 3070.00, 3067.00.
Carded cloths:	
Sheetings	3031.20, 3042.10, 3042.20, 3043.00, 3033.20, 3046.10, 3147.10, 3074.00.
Drills, twills, and sateens	3031.10, 3040.00, 3041.10, 3041.20, 3033.10, 3045.10.
Print, cloth, yarn fabrics	3037.00, 3048.00, 3049.10, 3049.20, 3039.00, 3051.10, 3052.10, 3052.20, 3074.00.
Flannels	3055.10, 3039.00.
Seersuckers	3061.00.
Tickings	3061.00.
Blankets	3171.00.
Less than 25 percent wool	3055.90.

or other categories which may be added when and if supplies become available and demand is shown. (This will be announced in a future Current Export Bulletin.)

b. The schedule B numbers covering the allocation of yarns which may be exported to Cyprus, Eritrea, Iraq, Iran, Palestine, and Syria follow:

	Schedule B Nos.
Cotton Yarn	(3011.10, 3011.20, 3012.00, 3013.00, 3013.20).
Knitting yarn, combed:	
70's and coarser.	
Finer than 70's.	
Weaving yarn:	
Carded, Singles, 20's and coarser.	
Carded, Plied.	
Combed, Plied.	
31's–70's,	
71's–100's.	

c. The Schedule B Numbers covering the allocations of cotton knit goods which may be exported to Aden, Anglo-Egyptian Sudan, Cyprus, Eritrea, Iraq, and Transjordan follow:

Cotton Knit Goods:	
Underwear:	*Schedule B Nos.*
Men's	3096.05
Boys'	3096.98
Women's and Children's	3097.00
Women's and Children's nightwear	3098.00

3. In line with the Foreign Economic Administration's policy of assisting exporters in reopening normal commercial textile trade with the Middle East, the following prerequisites to the export of materials to the Middle East which are made necessary by wartime conditions are set forth:

a. American exporters should make tentative offerings of piece goods and yarns to importers in the Middle East. Since importers in the Middle East are not generally familiar with American textile products, particularly under restricted wartime conditions, it is most important that exporters submit adequate quantities of samples and prices to importers in the Middle East. The shipment of samples to Middle East destinations is set forth in the provisions of General License

G–POST, Current Export Bulletin No. 179 (Announcement No. 548 above).

b. Importers in the Middle East must obtain import licenses from the governmental authorities of their countries before importation of materials will be permitted. Further, all importations into the Middle East must be approved on the basis of essentiality by the Middle East Supply Center (an Anglo-American Agency with headquarters located in Cairo, Egypt). In this connection, arrangements have been made by the Middle East Supply Center and the Combined Agency for Middle East Supplies for the expedition of notifications of approval to textile exporters by the Combined Agency.

c. Upon notification that an import license has been granted and has been approved by the Middle East Supply Center, the exporter should submit applications for release certificates to the Combined Agency for Middle East Supplies, Hill Building, 839 Seventeenth Street NW., Washington 25, D. C. (New York Office, 43 Exchange Place, New York 5, New York.) Release certificate applications should not be filed unless the exporter has been advised by the Combined Agency that an import license has been issued to his importer and that this document has been approved by the Middle East Supply Center.

d. The Foreign Economic Administration is vitally interested in insuring the actual shipments of the commodities which have been allocated and released for export. For this reason, exporters may be required to submit statements showing status of procurement and performance relative to release certificates obtained covering the above commodities, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942. However, holders of such release certificates should not submit any such reports unless officially notified to do so. The Combined Agency necessarily reserves the right to cancel any outstanding release certificate against which contracts have not been placed or shipments are not being made.

II. WPB Order M–317 Limits Validity of Cotton Textile Ratings to Six Months

A. Exporters holding licenses or release certificates for the exportation of cotton commodities as listed in paragraph C below for which a preference rating has been assigned should note the provision in WPB Order M–317 as amended July 5, providing for the expiration of such a preference rating at the end of six months from the date of issuance. An exporter holding a license or release certificate for any of the cotton commodities listed to which a rating has been assigned must therefore apply the rating and the order must be accepted by the supplier or be made the subject of a War Production Board scheduling direction within six months of the date of validation. However, in the case of licenses or release certificates to which ratings were assigned more than six months ago, orders may still be placed up to August 1, 1944, provided they are accepted or made the subject of a War Production Board scheduling direction and are to be delivered prior to October 1, 1944.

B. Exporters should note especially that while the rating given to these licenses or release certificates is revoked at the end of six months the license or release certificate will continue valid for the period for which originally issued.*

C. The commodities affected, called "cotton textiles" in Order M–317 as amended, are as follows:

Commodity:	*Schedule B No.*
Cotton yarn	3011.10 through 3013.20.
Cotton thread, twine, cordage, and rope (except tire cord on cones or warps).	3015.00, 3016.00, and 3018.00.
Cotton woven piece goods (excluding tire fabrics and duck).	3034.00 through 3088.00 (excluding 3062.00 and 3080.00).
Cotton manufactures as follows:	
Bed sheets	3178.00.
Blankets (if containing 50 percent or more by weight of cotton or cotton waste, but not if containing 25 percent or more by weight of wool).	3171.00.
Diapers	3124.00.
Facecloths	3187.00, 3188.00.
Pillowcases	3178.00.
Table cloths and napkins (except lace or embroidered).	3189.00.
Towels	3187.00, 3188.00.

D. Order M–317 provides further that "no person shall purchase for export without a preference rating any cotton textiles, except woven or braided fabrics 12 inches or less wide, remnants (pieces shorter than 10 yards) and rags (pieces shorter than 2 yards commonly sold by the pound)."

E. Paragraph (d) (1) in Order M–317 indicates how ratings for cotton textiles for export are to be applied or extended. In all cases, preference ratings are to be applied and extended as provided in Priorities Regulation No. 3. The standard certification described in Priorities Regulation No. 7 may be used in applying or extending the rating, and in the case of exports, the provisions of subparagraph (1) of paragraph (d) of the order must also be complied with. This reads in part as follows:

"*Cotton textiles for export.*—In the case of products which are to be exported (or to replace in inventory the exported product) in the form of cotton textiles or in the form of clothing manufactured for the United States Treasury Procurement Division from piece goods purchased by that Division for the Foreign Economic Administration (except where that product or clothing is for direct or ultimate delivery to the United States Army, Navy, Maritime Commission, War Shipping Administration, or American Red Cross), the purchaser shall place upon the purchase order an appropriate notation (with the blanks properly filled in), substantially as follows:

These cotton textiles will be exported or will replace in inventory cotton textiles exported after December 24, 1943.

And also one of the following statements is to be made:

The preference rating was applied by the United States Treasury Procurement Division in connection with contract No. _____. (In the case of United States Treasury Procurement for Foreign Economic Administration); or

The preference rating was applied in connection with Export License No. _____ or Release Certificate No. _____. (In the case of export in connection with license or release certificates issued by Foreign Economic Administration); or

The preference rating was applied in connection with the Canadian Cotton Administrator's serial No. _____. (In the case of exports to Canada.)

When the above is complied with, the requirements of M–328 are met and it is unnecessary to use any other notation."

III. General License for Certain Pickled or Salted Pork Products Continued

Current Export Bulletin No. 171 (Announcement No. 540 in Foreign Commerce Weekly for June 24, 1944) gave notice that the pickled or salted pork products classified under Schedule B No. 0032.00 were placed on general license for export to Group K and V country destinations for the period June 15 to midnight July 31, 1944.

The War Food Administration has advised the Foreign Economic Administration that the present supply position of the above-mentioned pickled or salted pork products warrants the extension of the general license period. Therefore, effective until midnight August 31, 1944, these products may continue to be exported under general license to group K and V destinations. Before the end of the general license period, the supply situation will be reviewed and an announcement will be made in a subsequent bulletin concerning the continuance or termination of this general license.

Commodity	Department of Commerce schedule B No.	General license group (old)	General license group (new)	Effective date of change
Pork, pickled or salted other than bacon, hams, shoulders or Cumberland and Wiltshire sides.	0032.00	K & V	K & V	Aug. 1, 1944

IV. Change In General License

Commodity	Department of Commerce schedule B No.	General license group (old)	General license group (new)	Effective date of change
Iron and Steel Manufactures—Cutlery				
Razors, safety (report electric in 7099.15 and 7099.18) 6112.00:				
Metal safety razors (include razors with metal heads and plastic or metal handles incorporating a guard which prevents cutting of the skin. If the head consists of two parts, one of which is metal, it is then a metal head).	6112.00	None	None	
Plastic safety razors	6112.00	None	K	Immediately

Shipments of any of the above commodities removed from general license, which were on dock, on lighter, laden aboard the exporting carrier, or in transit to ports of exit pursuant to actual orders for export prior to the effective date of change may be exported under the previous general license provisions. Shipments moving to a vessel subsequent to the effective date of change pursuant to ODT permits issued prior to such date may also be exported under the previous general license provisions.

Tanganyika's Hones

Hones are being made in a factory at Dodoma, Tanganyika, which now makes more than 2,000 a week. The hones are made from a mixture of locally mined corumdum, grit, and clay, fired at a high temperature. Formerly imported, hones are needed in Tanganyika to sharpen knives for the sisal industry, rubber tapping, mica trimming, and hide flaying.

Mineral Output of Southern Rhodesia in 1943

The value of Southern Rhodesia's mineral output in 1943, amounting to £8,864,041, was £513,125 less than the 1942 value.

Production of 656,684 fine ounces of gold valued at £5,516,146 represented a decrease of 103,346 fine ounces in 1943, compared with 1942.

Trade-Mark Applications

Brazil.—The following applications for trade-mark registrations were published on date indicated in the Official Gazette of Brazil. Opposition must be filed within 60 days from the date of publication:

Trade-mark	Class No. and product	Date of publication
		1944
Autotrac	7—Accessories and parts for tractors.	June 20.
Sparta	39—Goods manufactured from rubber and gutta-percha not included in other classes. 48—Manicure instruments, bath brushes, bath gloves, shaving brushes, sponge substitutes, etc. 10—Instruments, apparatus, and contrivances for surgical or curative purposes.	Do.
Ipana	48—Tooth pastes and dentifrices.	Do.
Colombo	15—Ceramics, 1—Paints, 14—Glasses, 4—Animal and vegetable glues.	Do.
Haway	48—Perfumes and toilet preparations.	Do.
Interundum	55—Abrasives, all kinds	Do.
Carbomar	do	Do.
Carbomeril	do	Do.
Cobalt-500	5—Metals and wrought metals used in industry.	June 21
Hico	do	Do.
Acromida	3—Pharmaceutical preparation.	Do.
Rutacryl	10—Dental synthetic resin	Do.
Panzimase	3—Pharmaceutical preparation.	Do.
Kalamine	3—Pharmaceutical product	Do.
Nazion	do	Do.
Biophitol	do	June 23
Multicopy	17—Engineering, architectural, and building contrivances.	June 28
Multicopy	38—Paper	Do.
Eureka	47—Fuel and lubricating oils and parts. 55—Polishing compounds	Do.
Ortoclean	3—Pharmaceutical product	Do.
Camelo	42—Fermented liquors and spirits.	
Americano	55—Metal polish	Do.
Belton	48—Perfumery and soaps	Do.
Extrarin	3—Pharmaceutical product	June 30
		1944
Dex	10—Powder for dentures	Do.
Cibex	52—Articles in plastic material for electrical use.	
Camelo	19—Explosives, dynamite, gun powder, percussion caps and fuses.	July 1
King	36—Neckties	Do.
Queen	36—Neckties	Do.
Rex	3—Pharmaceutical specialty	Do.

Uruguay.—The following applications for registration of trade-marks were published in the Diario Oficial of Montevideo, on the dates noted. Opposition must be filed within 30 days from the date of publication:

Trade-mark	Product	Date of application
		1944
Vitacarbis	Drugstore and chemical products.	June 22
Saliciphan-B	do	Do.
Trinithina	do	Do.
Multilux	Electrical material and equipment.	June 21
Vim	Scientific (surgical and dental instruments and equipment).	Do.
Denex	Drugstore and chemical products.	June 23
Sex Appeal	Perfumery and toilet products.	Do.
Oterlam	do	Do.
Codefilina	Drugstore and chemical products.	Do.
Alo-Athina	do	Do.
Sonaco	Transport in general	Do.
Noack	Electrical material and equipment.	Do.
C-Cinchovit	Drugstore and chemical products.	June 24
Neodalit	do	Do.
Piridacil	do	Do.
Stimerval	do	Do.
Strocardine	do	Do.
Exodolor	do	Do.
Germlx	do	Do.
Caridrine	do	Do.
Demnrol	do	Do.
Bay-Col	Perfumery and toilet products.	June 26

War Produces Crisis in Peru's Lumber Industry

(Continued from p. 34)

The Coast

With regard to the areal dispersion, the lumber industry of the coastal region follows substantially the same pattern as that of the Montaña and the Sierra regions. The sawmills are grouped together around eight distinct centers which are strung out along the entire length of Peru's coastline.

However, with the exception of the Chiclayo and Piura districts, the coastal sawmilling centers differ greatly from those of the interior in their functional aspects. While the sawmill centers of the Montaña and the Sierra regions are governed by their respective supply factors, those of the coast region are governed by their respective market factors. In contrast to the Montaña and the Sierra, in which the sawmills are located near the forests, their sources of supply, the sawmills of the coast are centered around their respective markets.

Dismissing the Chiclayo and Piura centers from the present discussion, the fact that the Peruvian-coast lumber industry is based entirely on lumber imports explains the emphasis placed on the strategic plant location with reference to the respective markets. As all imported lumber is sea-borne, the factor of source does not matter, except as far as species are concerned. Overland freight charges do not enter into the problems of the coast lumber industry, because the territory served by each sawmill center is fairly circumscribed. Usually, lumber moves by truck to its ultimate destination from the individual lumber yard in the coastal region, and seldom goes beyond the limits of the population center in which a particular lumber yard is located.

Since the largest share of Peruvian lumber imports has consistently come from the United States, especially from the West Coast lumber region, a partial tabulation of United States lumber exports to Peru is of interest to the industry.

Future Outlook

The future outlook embraces two phases—the immediate post-war period and the long-term prospect. This point of view is based on certain factors which will make themselves felt in fairly consecutive order as time goes on. And, in accordance with the changes brought about by these factors, the lumber import situation will change.

The disruption of the flow of goods in international trade has thrown Peru largely on its own resources, particularly with reference to lumber. The more the pinch was felt, the more intensified became the determination to do everything possible to prevent a repetition of a similar crisis. This situation has prompted the establishment of the trans-Andean highway, the establishment of the sawmill centers in the Montaña and the Sierra regions, and the ready acceptance of never-before-tried domestic woods.

The test for the survival of an industry in the competitive struggle for existence lies in its ability to raise the quality of its production sufficiently so that it compares favorably with the best, on the basis of price, serviceability, and usefulness. In this respect, the Peruvian lumber industry has definitely bright prospects.

The immediate post-war outlook for American lumber is good, since it will not be possible for the Peruvian lumber industry to expand and round out its production facilities sufficiently to take care of domestic needs, especially in view of the accumulated purchasing power of the general public. Admittedly, supplementary foreign supplies will be needed to a considerable extent.

Although certain shifts in the composition of United States lumber exports to Peru can be reckoned with, it can also be expected that the total volume will be greater for the immediate post-war period than during the last years of the pre-war period. Especially will this be true with regard to further-processed categories of wood manufactures. While in all probability the demand for piling and cross ties will be smaller, the demand for millwork, as well as veneer and plywood, will be greater. As the most urgent needs are filled, the volume will decrease somewhat, but in view of the greater degree of industrialization which is at present fostered to a large extent, the demand probably will be higher than it has been during the past, even with more strictly "allocated" markets.

Partial List of United States Lumber Exports to Peru

Kind	1929	1932	1935	1936	1937	1938	1939	1940	1941	1942
Piling.....lin. ft..	306,755	.....	40,907	3,075	1,605	49,045	26,665	15,670	2,240	(1)
Sawed timber:										
Southern pine.1,000 bd. ft..	145	.....	19	.....	87	288	84	174	2	1
Douglas fir.....do..	16,052	2,570	3,613	4,403	7,869	4,285	4,109	8,469	5,599	1,481
Boards, planks, etc.:										
Southern pine.....do..	221	39	232	261	187	416	80	15	122	74
Douglas fir.....do..	69,979	14,175	33,152	34,254	39,704	38,319	38,304	33,114	27,616	13,889
Manufactured:										
Box shooks.....do..	18,545	2,364	14	1,423	2,009	739	1,326	1,138	938	618
Tool handles.....dozen..	5,832	461	5,081	4,741	8,123	6,073	4,925	2,085	3,452	5,199

[1] Not shown.

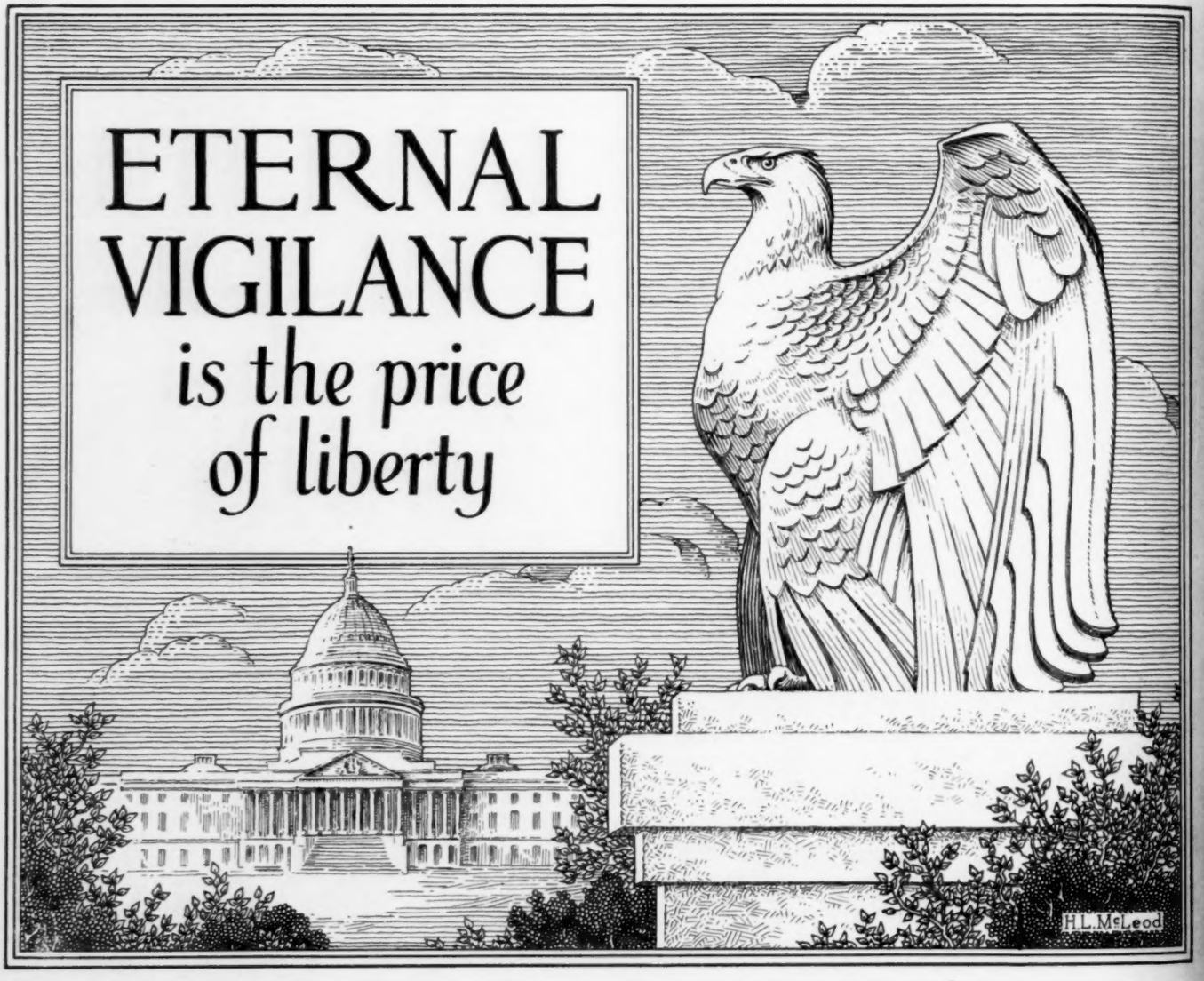
SOURCE: U. S. Bureau of Foreign and Domestic Commerce, *Foreign Commerce and Navigation* for years shown.

If the Peruvian lumber industry develops as anticipated, markets for foreign lumber will become substantially restricted, though intensified. The cost of transportation will always exert a strong influence, for it will channel the domestic as well as the imported lumber into definite market areas.

Freight charges will dictate the radius of the active market for the domestic lumber, moving from east to west, limiting the distance of transportation for each class of lumber according to its ability to absorb freight charges. By the same token, the market radius of imported lumber will be limited by the overland freight charges from the basing point on the west coast of Peru. And the point at which the respective freight or transportation charges neutralize the relative price advantage of domestic versus imported lumber will mark the point for farthest penetration for either the domestic or the imported lumber.

Guam—

(Continued from p. 32)

The capital city also boasts two movie houses, and American "Westerns" were especially popular before the war. Baseball and boxing were gaining in popularity, and American sports in general were replacing the age-old pastime of cockfighting. Introduced from the Philippines over a century ago, the fighting birds raised in Guam were long famous for their size and plumage.

Only the younger generation of Chamorros acquired some knowledge of English. Older natives speak a little Spanish, but Chamorro, the tongue of their fathers—notwithstanding Spanish, Tagalog, and English corruptions—has remained the language of the people down through the years, and constitutes their principal link with the past. The name Chamorro is derived from the ancient word for "noble," and traces of Chamorro "nobility" survive in the manners, prejudices, and tabus which are a vital part of native life in Guam of the twentieth century.